

First Regular Session 119th General Assembly (2015)

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

SENATE ENROLLED ACT No. 415

AN ACT to amend the Indiana Code concerning local government.

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

SECTION 1. IC 5-20-1-27, AS AMENDED BY P.L.231-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 27. (a) The home ownership education account within the state general fund is established to support:

- (1) home ownership education programs established under section 4(d) of this chapter;
- (2) mortgage foreclosure counseling and education programs established under IC 5-20-6-2; and
- (3) programs conducted by one (1) or a combination of the following to facilitate settlement conferences in residential foreclosure actions under IC 32-30-10.5:
 - (A) The judiciary.
 - (B) Pro bono legal services agencies.
 - (C) Mortgage foreclosure counselors (as defined in IC 32-30-10.5-6).
 - (D) Other nonprofit entities certified by the authority under section 4(d) of this chapter.

The account is administered by the authority.

(b) The home ownership education account consists of:

- (1) court fees collected under ~~IC 33-37-5-32~~ **IC 33-37-5-33**

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(before its expiration on ~~January 1, 2015~~; **July 1, 2017**);

(2) civil penalties imposed and collected under:

(A) IC 6-1.1-12-43(g)(2)(B); or

(B) IC 27-7-3-15.5(e); and

(3) any civil penalties imposed and collected by a court for a violation of a court order in a foreclosure action under IC 32-30-10.5.

(c) The expenses of administering the home ownership education account shall be paid from money in the account.

(d) The treasurer of state shall invest the money in the home ownership education account not currently needed to meet the obligations of the account in the same manner as other public money may be invested.

SECTION 2. IC 5-20-6-3, AS AMENDED BY P.L.231-2013, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. In addition to using money provided for the program from:

(1) court fees under ~~IC 33-37-5-32~~ **IC 33-37-5-33** (before its expiration on ~~January 1, 2015~~; **July 1, 2017**);

(2) civil penalties imposed and collected under:

(A) IC 6-1.1-12-43(g)(2)(B); or

(B) IC 27-7-3-15.5(e); and

(3) any civil penalties imposed and collected by a court for a violation of a court order in a foreclosure action under IC 32-30-10.5;

the authority may solicit contributions and grants from the private sector, nonprofit entities, and the federal government to assist in carrying out the purposes of this chapter.

SECTION 3. IC 6-1.1-12-18, AS AMENDED BY P.L.144-2008, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 18. (a) If the assessed value of residential real property described in subsection (d) is increased because it has been rehabilitated, the owner may have deducted from the assessed value of the property an amount not to exceed the lesser of:

(1) the total increase in assessed value resulting from the rehabilitation; or

(2) eighteen thousand seven hundred twenty dollars (\$18,720) per rehabilitated dwelling unit.

The owner is entitled to this deduction annually for a five (5) year period, **or if subsection (e) applies, the period established under subsection (e).**

(b) For purposes of this section, the term "rehabilitation" means



significant repairs, replacements, or improvements to an existing structure which are intended to increase the livability, utility, safety, or value of the property under rules adopted by the department of local government finance.

(c) For the purposes of this section, the term "owner" or "property owner" includes any person who has the legal obligation, or has otherwise assumed the obligation, to pay the real property taxes on the rehabilitated property.

(d) The deduction provided by this section applies only:

(1) for the rehabilitation of residential real property which is located within this state and which is described in one (1) of the following classifications:

(A) A single family dwelling if before rehabilitation the assessed value (excluding any exemptions or deductions) of the improvements does not exceed thirty-seven thousand four hundred forty dollars (\$37,440).

(B) A two (2) family dwelling if before rehabilitation the assessed value (excluding exemptions or deductions) of the improvements does not exceed forty-nine thousand nine hundred twenty dollars (\$49,920).

(C) A dwelling with more than two (2) family units if before rehabilitation the assessed value (excluding any exemptions or deductions) of the improvements does not exceed eighteen thousand seven hundred twenty dollars (\$18,720) per dwelling unit; and

(2) if the property owner:

(A) owns the residential real property; or

(B) is buying the residential real property under contract; on the assessment date of the year in which an application must be filed under section 20 of this chapter.

(e) A county, city, or town fiscal body may adopt an ordinance to establish a deduction period that is longer than five (5) years but not to exceed fifteen (15) years for any rehabilitated property covered by this section that has also been determined to be abandoned or vacant for purposes of IC 6-1.1-24.

SECTION 4. IC 6-1.1-12-22, AS AMENDED BY P.L.144-2008, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 22. (a) If the assessed value of property is increased because it has been rehabilitated and the owner has paid at least ten thousand dollars (\$10,000) for the rehabilitation, the owner is entitled to have deducted from the assessed value of the property an amount equal to fifty percent (50%) of the increase in assessed value



resulting from the rehabilitation. The owner is entitled to this deduction annually for a five (5) year period, **or if subsection (e) applies, the period established under subsection (e).** However, the maximum deduction which a property owner may receive under this section for a particular year is:

- (1) one hundred twenty-four thousand eight hundred dollars (\$124,800) for a single family dwelling unit; or
- (2) three hundred thousand dollars (\$300,000) for any other type of property.

(b) For purposes of this section, the term "property" means a building or structure which was erected at least fifty (50) years before the date of application for the deduction provided by this section. The term "property" does not include land.

(c) For purposes of this section, the term "rehabilitation" means significant repairs, replacements, or improvements to an existing structure that are intended to increase the livability, utility, safety, or value of the property under rules adopted by the department of local government finance.

(d) The deduction provided by this section applies only if the property owner:

- (1) owns the property; or
- (2) is buying the property under contract;

on the assessment date of the year in which an application must be filed under section 24 of this chapter.

(e) A county, city, or town fiscal body may adopt an ordinance to establish a deduction period that is longer than five (5) years but not to exceed seven (7) years for any rehabilitated property covered by this section that has also been determined to be abandoned or vacant for purposes of IC 6-1.1-24.

SECTION 5. IC 6-1.1-24-1, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2015 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 1. (a) On or after January 1 of each calendar year in which a tax sale will be held in a county and not later than fifty-one (51) days after the first tax payment due date in that calendar year, the county treasurer ~~(or county executive, in the case of property described in subdivision (2))~~ shall certify to the county auditor a list of real property on which any of the following exist:

- (1) ~~In the case of real property, other than real property described in subdivision (2);~~ any property taxes or special assessments certified to the county auditor for collection by the county treasurer from the prior year's spring installment or before



that are delinquent as determined under IC 6-1.1-37-10 and the delinquent property ~~tax or taxes~~, special assessments, ~~penalties, fees, or interest~~ due exceed twenty-five dollars (\$25).

~~(2) In the case of real property for which a county executive has certified to the county auditor that the real property is:~~

~~(A) vacant; or~~

~~(B) abandoned;~~

~~any property taxes or special assessments from the prior year's fall installment or before that are delinquent as determined under IC 6-1.1-37-10. The county executive must make a certification under this subdivision not later than sixty-one (61) days before the earliest date on which application for judgment and order for sale may be made. The executive of a city or town may provide to the county executive of the county in which the city or town is located a list of real property that the city or town has determined to be vacant or abandoned. The county executive shall include real property included on the list provided by a city or town executive on the list certified by the county executive to the county auditor under this subsection.~~

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

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

- (1) describe the real property by parcel number and common address, if any;
- (2) for a tract or item of real property with a single owner, indicate the name of the owner; and
- (3) for a tract or item with multiple owners, indicate the name of 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 6. IC 6-1.1-24-1.2, AS AMENDED BY P.L.166-2014, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 1.2. (a) Except as



provided in subsection (c), a tract or an item of real property may not be removed from the list certified under section 1 **or 1.5** of this chapter before the tax sale unless all:

- (1) delinquent taxes and special assessments due before the date the list on which the property appears was certified under section 1 **or 1.5** of this chapter; and
- (2) penalties due on the delinquency, interest, and costs directly attributable to the tax sale;

have been paid in full.

(b) A county treasurer may accept partial payments of delinquent property taxes, assessments, penalties, interest, or costs under subsection (a) after the list of real property is certified under section 1 **or 1.5** of this chapter. However, a partial payment does not remove a tract or an item from the list certified under section 1 **or 1.5** of this chapter unless the taxpayer complies with subsection (a) or (c) before the date of the tax sale.

(c) A county auditor shall remove a tract or an item of real property from the list certified under section 1 **or 1.5** of this chapter before the tax sale if the county treasurer and the taxpayer agree to a mutually satisfactory arrangement for the payment of the delinquent taxes.

(d) The county auditor shall remove the tract or item from the list certified under section 1 **or 1.5** of this chapter if:

- (1) the arrangement described in subsection (c):
 - (A) is in writing;
 - (B) is signed by the taxpayer; and
 - (C) requires the taxpayer to pay the delinquent taxes in full not later than the last business day before July 1 of the year after the date the agreement is signed; and
- (2) the county treasurer has provided a copy of the written agreement to the county auditor.

(e) If the taxpayer fails to make a payment under the arrangement described in subsection (c):

- (1) the arrangement is void; and
- (2) the county auditor shall immediately place the tract or item of real property on the list of real property eligible for sale at a tax sale.

(f) If a taxpayer fails to make a payment under an arrangement entered into under subsection (c), the county treasurer and the taxpayer may enter into a subsequent arrangement and avoid the penalties under subsection (e).

SECTION 7. IC 6-1.1-24-1.5, AS AMENDED BY P.L.66-2014, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JANUARY 1, 2015 (RETROACTIVE)]: Sec. 1.5. (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 executive of the consolidated city.

(b) ~~The county executive or an executive of a city or town may, after obtaining If:~~

(1) any property taxes or special assessments from the prior year's fall installment or before are delinquent on real property as determined under IC 6-1.1-37-10; and

(2) an order from a court or a determination of a hearing authority has been obtained under ~~IC 32-30-10.6~~ IC 36-7-37

that the real property is vacant or abandoned; and

the executive of the county, city, or town may, after providing either the notice required by ~~IC 32-30-10.6-6~~ **IC 36-7-37** or section 2.3 of this chapter, certify a list of vacant or abandoned property to the county auditor. **This list must be delivered to the county auditor not later than fifty-one (51) days after the first tax payment due date each calendar year.**

(c) Upon receiving lists described in subsection (b), the county auditor shall do all the following:

- (1) Prepare a combined list of the properties certified by the executive of the county, city, or town.
- (2) Delete any property described in that list from the delinquent tax list prepared under section 1 of this chapter.
- (3) Provide public notice of the sale of the properties under subsection (d) at least thirty (30) days before the date of the sale, which shall be published in accordance with IC 5-3-1, **and post a copy of the notice at a public place of posting in the county courthouse or in another public county building at least twenty-one (21) days before the date of sale.**
- (4) ~~Auction the property.~~ **Certify to the county treasurer that the real property is to be sold at auction under this chapter as required by section 5(j) of this chapter.**
- (5) Issue a deed to the real property **that conveys a fee simple interest** to the highest bidder ~~whose~~ **as long as the** bid is at least the minimum bid specified in this section.

The minimum bid for a property at the auction under this section is the proportionate share of the actual costs incurred by the county in conducting the sale. Any amount collected from the sale of all properties under this section above the total minimum bids shall first



be used to pay the costs of the county, city, or town that certified the property vacant or abandoned for title search and court proceedings. Any amount remaining from the sale shall be certified by the county treasurer to the county auditor for distribution to other taxing units during settlement.

(d) Notice of the sale under this section must contain the following:

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

(2) A statement that:

(A) the ~~tracts or~~ real property included in the list will be sold at public auction to the highest bidder;

(B) the county auditor will issue a deed to the real property that conveys a fee simple interest to the highest bidder that bids at least the minimum bid; and

(C) the owner will have no right to redeem the real property after the date of the sale.

A deed issued under this subdivision to the highest bidder conveys the same fee simple interest in the real property as a deed issued under IC 6-1.1-25.

(3) A statement that the ~~tracts or~~ real property will not be sold for less than an amount equal to actual proportionate costs incurred by the county that are directly attributable to the abandoned property sale.

(4) A statement for informational purposes only, of the location of each ~~tract or~~ item of real property by key number, if any, and street address, if any, or a common description of the property other than a legal description. The township assessor, or the county assessor if there is no township assessor for the township, upon written request from the county auditor, shall provide the information to be in the notice required by this subsection. A misstatement in the key number or street address does not invalidate an otherwise valid sale.

(5) A statement that the county does not warrant the accuracy of the street address or common description of the property.

(6) A statement that the sale will be conducted at a place designated in the notice and that the sale will continue until all ~~tracts and~~ real property ~~have~~ **has** been offered for sale.

(7) A statement that the sale will take place at the times and dates designated in the notice.

Whenever the public auction is to be conducted as an electronic sale, the notice must include a statement indicating that the public auction will be conducted as an electronic sale and a description of the



procedures that must be followed to participate in the electronic sale.

SECTION 8. IC 6-1.1-24-1.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: **Sec. 1.7. (a)**

The county executive or the county executive's designee may:

- (1) after January 1 of each calendar year in which a tax sale will be held in the county; and**
- (2) not later than fifty-one (51) days after the first tax payment due date in that calendar year;**

certify to the county auditor that a property is not suitable for tax sale. The certification must identify the names and addresses of each person with a substantial property interest of record. When making the application for judgment under section 4.6(b) of this chapter, the county auditor shall include a list of the properties certified not suitable for tax sale and the names and addresses of each person with a substantial property interest of record in the certified properties that was provided to the county auditor with the certification.

(b) Not later than ten (10) days after making the certification as provided in subsection (a), the county executive or the county executive's designee shall provide a notice to each person with a substantial property interest of record in the property, stating the following:

- (1) The street address, if any, or a common description of the tract or real property.**
- (2) The key number or parcel number of the tract or real property.**
- (3) That the property has been certified not suitable for tax sale.**
- (4) That the court will hear and determine the issue before the tax sale.**
- (5) That if the court determines that the property is not suitable for tax sale, the property will not be offered for sale at the tax sale, but may be disposed of by the county executive as provided in this chapter.**
- (6) That if the court determines that the property is not suitable for tax sale, the property may be redeemed any time until one hundred twenty (120) days after the conclusion of the tax sale from which the property was removed.**
- (7) That if the court determines that the property is not suitable for tax sale and the county executive disposes of the property within three (3) years after the conclusion of the tax**



sale at which the property would have been offered for sale, any amount received in excess of the amount of the minimum bid will be disbursed in the same manner as if the property had been sold in the tax sale.

SECTION 9. IC 6-1.1-24-2, AS AMENDED BY P.L.66-2014, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 2. **(a) This section does not apply to vacant or abandoned real property that is on the list prepared by the county auditor under section 1.5 of this chapter.**

(a) (b) In addition to the delinquency list required under section 1 of this chapter, each county auditor shall prepare a notice. The notice shall contain the following:

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

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

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

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

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

(C) all penalties due on the delinquencies;

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

(i) the greater of twenty-five dollars (\$25) or postage and publication costs; and

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

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

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

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

(B) one hundred fifteen percent (115%) of the amount of the minimum bid for which the tract or item of real property was



offered at the time of sale if the tract or item of real property is redeemed more than six (6) months after the date of sale;

(C) the amount by which the purchase price exceeds the minimum bid on the tract or item of real property plus five percent (5%) **interest** per annum, on the amount by which the purchase price exceeds the minimum bid; and

(D) all taxes and special assessments on the tract or item of real property paid by the purchaser after the tax sale plus interest at the rate of five percent (5%) per annum, on the amount of taxes and special assessments paid by the purchaser on the redeemed property.

(5) A statement for informational purposes only, of the location of each tract or item of real property by key number, if any, and street address, if any, or a common description of the property other than a legal description. The township assessor, or the county assessor if there is no township assessor for the township, upon written request from the county auditor, shall provide the information to be in the notice required by this subsection. A misstatement in the key number or street address does not invalidate an otherwise valid sale.

(6) A statement that the county does not warrant the accuracy of the street address or common description of the property.

(7) A statement indicating:

(A) the name of the owner of each tract or item of real property with a single owner; or

(B) the name of at least one (1) of the owners of each tract or item of real property with multiple owners.

(8) A statement of the procedure to be followed for obtaining or objecting to a judgment and order of sale, that must include the following:

(A) A statement:

- (i) that the county auditor and county treasurer will apply on or after a date designated in the notice for a court judgment against the tracts or real property for an amount that is not less than the amount set under subdivision (3), and for an order to sell the tracts or real property at public auction to the highest bidder, subject to the right of redemption; and
- (ii) indicating the date when the period of redemption specified in IC 6-1.1-25-4 will expire.

(B) A statement that any defense to the application for judgment must be:

- (i) filed with the court; and



- (ii) served on the county auditor and the county treasurer; before the date designated as the earliest date on which the application for judgment may be filed.
- (C) A statement that the county auditor and the county treasurer are entitled to receive all pleadings, motions, petitions, and other filings related to the defense to the application for judgment.
- (D) A statement that the court will set a date for a hearing at least seven (7) days before the advertised date and that the court will determine any defenses to the application for judgment at the hearing.
- (9) A statement that the sale will be conducted at a place designated in the notice and that the sale will continue until all tracts and real property have been offered for sale.
- (10) A statement that the sale will take place at the times and dates designated in the notice. Whenever the public auction is to be conducted as an electronic sale, the notice must include a statement indicating that the public auction will be conducted as an electronic sale and a description of the procedures that must be followed to participate in the electronic sale.
- (11) A statement that a person redeeming each tract or item after the sale must pay the costs described in IC 6-1.1-25-2(e).
- (12) If a county auditor and county treasurer have entered into an agreement under IC 6-1.1-25-4.7, a statement that the county auditor will perform the duties of the notification and title search under IC 6-1.1-25-4.5 and the notification and petition to the court for the tax deed under IC 6-1.1-25-4.6.
- (13) A statement that, if the tract or item of real property is sold for an amount more than the minimum bid and the property is not redeemed, the owner of record of the tract or item of real property who is divested of ownership at the time the tax deed is issued may have a right to the tax sale surplus.
- (14) If a determination has been made under subsection ~~(d)~~; **(e)**, a statement that tracts or items will be sold together.
- (15) With respect to a tract or an item of real property that is subject to sale under this chapter after June 30, 2012, and before July 1, 2013, a statement declaring whether an ordinance adopted under IC 6-1.1-37-10.1 is in effect in the county and, if applicable, an explanation of the circumstances in which penalties on the delinquent taxes and special assessments will be waived.
- ~~(b)~~ **(c)** If within sixty (60) days before the date of the tax sale the county incurs costs set under subsection ~~(a)(3)(D)~~ **(b)(3)(D)** and those



costs are not paid, the county auditor shall enter the amount of costs that remain unpaid upon the tax duplicate of the property for which the costs were set. The county treasurer shall mail notice of unpaid costs entered upon a tax duplicate under this subsection to the owner of the property identified in the tax duplicate.

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

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

SECTION 10. IC 6-1.1-24-2.2 IS REPEALED [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]. ~~Sec. 2.2: Whenever a notice required under section 2 of this chapter includes real property on the list prepared under section 1(a)(2) (repealed) or 1.5(d) of this chapter, the notice must also contain a statement that:~~

- ~~(1) the property is on the alternate list prepared under section 1(a)(2) (repealed) or 1.5(d) of this chapter;~~
- ~~(2) if the property is not redeemed within one hundred twenty (120) days after the date of sale, the county auditor shall execute and deliver a deed for the property to the purchaser or purchaser's assignee; and~~
- ~~(3) if the property is offered for sale and a bid is not received for at least the amount required under section 5 of this chapter, the county auditor may execute and deliver a deed for the property to the county executive; subject to IC 6-1.1-25.~~

SECTION 11. IC 6-1.1-24-2.3, AS ADDED BY P.L.66-2014, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 2.3. (a) This section applies to a **an item of real property that has been certified as for which a court order or a determination by a hearing authority has been obtained under IC 36-7-37 that the real property is vacant or abandoned under section 1.5 of this chapter.**

(b) If the executive of the county, city, or town that has jurisdiction of the property plans to certify an item of real



property as vacant or abandoned under section 1.5 of this chapter and a notice was not sent with regard to a ~~tract or the~~ real property as permitted by ~~IC 32-30-10.6-6~~, IC 36-7-37, the executive of the county, city, or town that has jurisdiction of the property shall send a notice ~~shall be sent~~ to the owner of record and to any person with a substantial property interest of public record in the ~~tract or~~ real property at least one hundred twenty (120) days before the date of the certification under section 1.5 of this chapter. The notice must contain at least the following:

- (1) A statement that an abandoned property sale will be held on or after a specified date.
- (2) A description of the ~~tract or~~ real property to be sold.
- (3) A statement that **any person may redeem the tract or to prevent the sale of the real property at the abandoned property sale, the owner must pay all delinquent taxes and special assessments on the real property at or before the date of the abandoned property sale.**
- ~~(4) The components of the amount required to redeem the tract or real property.~~
- (5) (4) A statement that if the real property is not redeemed, sold at the abandoned property sale, a tax deed may will be issued to the purchaser that provides the purchaser with a fee simple interest in the real property.**
- ~~(6) (5) The street address, if any, or a common description of the tract or real property.~~
- (7) (6) The key number or parcel number of the tract or real property.**

A notice required by this section is in addition to the notice required by section 1.5 of this chapter.

(c) A notice under this section ~~must~~ **may not** include ~~not~~ more than one (1) ~~tract or~~ item of real property listed to be sold in one (1) description. However, when more than one (1) ~~tract or~~ item of real property is owned by one (1) person, all of the ~~tracts~~ **items** of real property that are owned by that person may be included in one (1) notice.

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

(e) The notice required by this section is considered sufficient if the notice is mailed **by certified mail, return receipt requested**, to:

- (1) all owners of record of real property at the last address of the owner for the property, as indicated in the records of the**



county auditor; and

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

as of the date that the tax sale list is certified.

(f) The notice under this section is not required for persons in possession not shown in the public records.

SECTION 12. IC 6-1.1-24-3, AS AMENDED BY P.L.169-2006, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 3. **(a) This section does not apply to vacant or abandoned real property that is on the list prepared by the county auditor under section 1.5 of this chapter.**

~~(a)~~ **(b)** When real property is eligible for sale under this chapter, the county auditor shall post a copy of the notice required by ~~sections~~ **section 2 and 2-2** of this chapter at a public place of posting in the county courthouse or in another public county building at least twenty-one (21) days before the earliest date of application for judgment. In addition, the county auditor shall, in accordance with IC 5-3-1-4, publish the notice required in ~~sections~~ **section 2 and 2-2** of this chapter once each week for three (3) consecutive weeks before the earliest date on which the application for judgment may be made. The expenses of this publication shall be paid out of the county general fund without prior appropriation.

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

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

SECTION 13. IC 6-1.1-24-4, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2015 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 4. **(a) This section does not apply to vacant or abandoned real property that is on the list prepared by the county auditor under section 1.5 of this chapter.**

~~(a)~~ **(b)** Not less than twenty-one (21) days before the earliest date on which the application for judgment and order for sale of real property



eligible for sale may be made, the county auditor shall send a notice of the sale by certified mail, return receipt requested, to:

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

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

~~(b) In addition to the notice required under subsection (a) for real property on the list prepared under section 1(a)(2) (repealed) or 1.5(d) of this chapter, the county auditor shall prepare and mail the notice~~



required under section 2.2 of this chapter no later than forty-five (45) days after the county auditor receives the certified list from the county treasurer under section 1(a) of this chapter.

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

SECTION 14. IC 6-1.1-24-4.6, AS AMENDED BY P.L.89-2007, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 4.6. (a) On the day on which the application for judgment and order for sale is made, the county treasurer shall report to the county auditor all of the tracts and real property listed in the notice required by section 2 of this chapter upon which all delinquent taxes and special assessments, all penalties due on the delinquencies, any unpaid costs due from a prior tax sale, and the amount due under section ~~2(a)(3)(D)~~ **2(b)(3)(D)** of this chapter have been paid up to that time. The county auditor, assisted by the county treasurer, shall compare and correct the list, removing tracts and real property for which all delinquencies have been paid, and shall make and subscribe an affidavit in substantially the following form:

State of Indiana)

) ss

County of _____)

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

County Treasurer

County Auditor

Dated _____

I, _____, auditor of the county of _____, do
solemnly affirm that notice of the application for judgment and order
for sale was mailed via certified mail to the owners on the foregoing
list, and publication made, as required by law.

County Auditor

Dated _____

(b) Application for judgment and order for sale shall be made as one

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(1) cause of action to any court of competent jurisdiction jointly by the county treasurer and county auditor. The application shall include the names of at least one (1) of the owners of each tract or item of real property, the dates of mailing of the notice required by ~~sections~~ **section 2 and 2.2** of this chapter, the dates of publication required by section 3 of this chapter, and the affidavit and corrected list as provided in subsection (a).

(c) Any defense to the application for judgment and order of sale shall be filed with the court on or before the earliest date on which the application may be made as set forth in the notice required under section 2 of this chapter. The county auditor and the county treasurer for the county where the real property is located are entitled to receive all pleadings, motions, petitions, and other filings related to a defense to the application for judgment and order of sale.

SECTION 15. IC 6-1.1-24-4.7, AS AMENDED BY P.L.169-2006, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 4.7. (a) No later than fifteen (15) days before the advertised date of the tax sale, the court shall examine the list of tracts and real property as provided under section 4.6 of this chapter. No later than three (3) days before the advertised date of the tax sale, the court shall enter judgment for those taxes, special assessments, penalties, and costs that appear to be due. This judgment is considered as a judgment against each tract or item of real property for each kind of tax, special assessment, penalty, or cost included in it. The affidavit provided under section 4.6 of this chapter is prima facie evidence of delinquency for purposes of proceedings under this section. The court shall also direct the clerk to prepare and enter an order for the sale of those tracts and real property against which judgment is entered, **except as provided in subsection (j).**

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



be provided by the court to **the following:**

(1) Any person filing a defense to the application for judgment and order of sale.

(2) Any person with a substantial property interest of record in a property certified not suitable for tax sale under IC 6-1.1-24-1.7.

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

(d) A judgment and order for sale shall contain the final listing of affected properties and the name of at least one (1) of the owners of each tract or item of real property, and shall substantially follow this form:

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

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

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

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

(h) Any irregularity, informality, omission, or defective act of one (1) or more officers connected with the assessment or levying of the taxes may be, in the discretion of the court, corrected, supplied, and



made to conform to law by the court, or by the officer (in the presence of the court).

(i) At the hearing required by subsection (b), the court shall hear and determine whether properties certified by the county executive under section 1.7 of this chapter are not suitable for tax sale. The court shall determine a property to be not suitable for tax sale if the property:

- (1) contains hazardous waste or another environmental hazard; or**
- (2) has unsafe building conditions;**

for which the cost of abatement or remediation will exceed the fair market value of the property.

(j) The judgment and order described in subsection (d) must also identify any properties that the court has determined to not be suitable for tax sale. Judgment shall be entered against these properties as provided in this section, but an order for the sale of these properties may not be entered. As to these properties, the judgment and order shall state in substantially the following form: "Whereas, this court having entered judgment against these tracts and real property, and the court having found that these properties are not suitable for tax sale, it is ordered that, notwithstanding the aforementioned judgment and order, the following tracts shall not be offered for sale under IC 6-1.1-24-5, but may be disposed of by the county executive as provided in IC 6-1.1-24-4.7(k)."

(k) The county executive has the same rights in a property determined by the court to be not suitable for tax sale as the county executive has in a property that is offered for sale at a tax sale but for which an amount greater than or equal to the minimum sale price is not received, and may dispose of the property as provided in this chapter. If the property is disposed of by the county executive any time within three (3) years after the conclusion of the tax sale at which the property would have been offered for sale but for the determination in subsection (i), the proceeds of the disposition shall be applied in accordance with IC 6-1.1-25-9(a).

SECTION 16. IC 6-1.1-24-5, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2015 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 5. (a) When a tract or an item of real property is subject to sale under this chapter, it must be sold in compliance with this section.

(b) The sale must:

- (1) be held at the times and place stated in the notice of sale; and



(2) not extend beyond one hundred seventy-one (171) days after the list containing the tract or item of real property is certified to the county auditor.

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

- (1) delinquent personal property taxes; or
- (2) taxes or special assessments which are chargeable to other real property.

(d) A tract or an item of real property may not be sold under this chapter if all the delinquent taxes, penalties, and special assessments on the tract or an item of real property and the amount prescribed by section ~~2(a)(3)(D)~~ **1.5 or 2(b)(3)(D)** of this chapter, **whichever applies**, reflecting the costs incurred by the county due to the sale, are paid before the time of sale.

(e) The county treasurer shall sell the tract or item of real property, subject to the right of redemption, to the highest bidder at public auction whose bid is at least the minimum bid specified in subsection (f) or (g), as applicable. **The right of redemption after a sale does not apply to an item of real property that is on the vacant and abandoned property list prepared by the county auditor under section 1.5 of this chapter.**

(f) Except as provided in **section 1.5 of this chapter** and subsection (g), a tract or an item of real property may not be sold for an amount which is less than the sum of:

- (1) the delinquent taxes and special assessments on each tract or item of real property;
- (2) the taxes and special assessments on each tract or item of real property that are due and payable in the year of the sale, regardless of whether the taxes and special assessments are delinquent;
- (3) all penalties which are due on the delinquencies;
- (4) the amount prescribed by section ~~2(a)(3)(D)~~ **2(b)(3)(D)** of this chapter reflecting the costs incurred by the county due to the sale;
- (5) any unpaid costs which are due under section ~~2(b)~~ **2(c)** of this chapter from a prior tax sale; and
- (6) other reasonable expenses of collection, including title search expenses, uniform commercial code expenses, and reasonable attorney's fees incurred by the date of the sale.

The amount of penalties due on the delinquencies under subdivision (3) must be adjusted in accordance with IC 6-1.1-37-10.1, if applicable.

(g) If an ordinance adopted under section 15(a) of this chapter is in effect in the county in which a tract or an item of real property is



located, the tract or item of real property may not be sold for an amount that is less than the lesser of:

- (1) the amount determined under subsection (f); or
- (2) seventy-five percent (75%) of the gross assessed value of the tract or item of real property, as determined on the most recent assessment date.

(h) For purposes of the sale, it is not necessary for the county treasurer to first attempt to collect the real property taxes or special assessments out of the personal property of the owner of the tract or real property.

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

(j) Real property certified to the county auditor under section ~~1(a)(2)~~ **1.5** of this chapter (~~repeated~~) must be offered for sale in a different phase of the tax sale or on a different day of the tax sale than the phase or day during which other real property is offered for sale.

(k) The public auction required under subsection (e) may be conducted by electronic means, at the option of the county treasurer. The electronic sale must comply with the other statutory requirements of this section. If an electronic sale is conducted under this subsection, the county treasurer shall provide access to the electronic sale by providing computer terminals open to the public at a designated location. A county treasurer who elects to conduct an electronic sale may receive electronic payments and establish rules necessary to secure the payments in a timely fashion. The county treasurer may not add an additional cost of sale charge to a parcel for the purpose of conducting the electronic sale.

SECTION 17. IC 6-1.1-24-5.1, AS ADDED BY P.L.66-2014, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5.1. **(a) This section applies to the following:**

(1) A business association that:

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

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

(b) A person subject to this section may not purchase a tract offered for sale under section 5 or 6.1 of this chapter. However, this



section does not prohibit a person from bidding on a tract that is owned by the person and offered for sale under section 5 of this chapter.

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

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

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

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

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

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

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

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

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

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

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

(f) A business entity that seeks to register to bid at a tax sale must provide a certificate of good standing or ~~authority~~ **proof of**



registration in accordance with IC 5-23 from the secretary of state to the county treasurer.

SECTION 18. IC 6-1.1-24-5.3, AS AMENDED BY P.L.88-2009, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 5.3. (a) This section applies to the following:

(1) 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~~; and ~~chapter~~; and

(B) is subject to 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(a)(1) through IC 36-7-9-10(a)(4) exist.

(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~~; and ~~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~~ **subdivision** (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 or an item of real property listed under section 1 of this chapter.

(6) A person who owns a fee interest, a life estate interest, or the equitable interest of a contract purchaser in a vacant or abandoned structure subject to an enforcement order under IC 32-30-6, IC 32-30-7, IC 32-30-8, or IC 36-7-9, **or a court order under IC 36-7-37.**

(7) A person who is an agent of the person described in this subsection.

(b) A person subject to this section may not purchase a tract offered for sale under section 5 or 6.1 of this chapter. However, this section does not prohibit a person from bidding on a tract that is owned by the person and offered for sale under section 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 items of real property at a tax sale. I hereby affirm under the penalties for perjury that I do not owe delinquent taxes, special assessments, penalties, interest, costs directly attributable to a prior tax sale, amounts from a final adjudication in favor of a political subdivision, ~~in this county~~, any civil penalties imposed for the violation of a building code or **county** ordinance, ~~of this county~~, or any civil penalties imposed by a **county** health department. ~~in this county~~. Further, I hereby acknowledge that any successful bid I make in violation of this statement is subject to forfeiture. In the event of forfeiture, the amount of my bid shall be applied to the delinquent taxes, special assessments, penalties, interest, costs, judgments, or civil penalties I owe, and a certificate will be issued to the county executive."

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

- (1) notify the person in writing that the sale is subject to forfeiture



if the person does not pay the amounts that the person owes within thirty (30) days of the notice;

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

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

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

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

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

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

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

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

SECTION 19. IC 6-1.1-24-6.3, AS AMENDED BY P.L.56-2012, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 6.3. (a) The sale of certificates of sale under this chapter must be held at the time and place stated in the notice of sale.

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

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

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

(c) The county executive shall sell the certificate of sale, subject to the right of redemption, to the highest bidder at public auction. The public auction may be conducted as an electronic sale in conformity



with section 5(k) of this chapter.

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

SECTION 20. IC 6-1.1-24-6.8, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2015 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 6.8. (a) For purposes of this section, in a county containing a consolidated city "county executive" refers to the board of commissioners of the county as provided in IC 36-3-3-10.

(b) As used in this section, "vacant parcel" refers to a parcel that satisfies the following:

(1) A lien has been acquired on the parcel under section 6(a) of this chapter.

(2) If the parcel is improved on the date the certificate of sale for the parcel or the vacant parcel is offered for sale under this chapter, the following apply:

(A) One (1) or more of the following are located on the parcel:

(i) A structure that may be lawfully occupied for residential use.

(ii) A structure used in conjunction with a structure that may be lawfully occupied for residential use.

(B) The parcel is:

(i) on the list of vacant or abandoned properties designated under section ~~1(a)(2)~~ 1.5 of this chapter; ~~(repeated)~~; or

(ii) not occupied by a tenant or a person having a substantial property interest of public record in the parcel.

(3) On the date the certificate of sale for the parcel or the vacant parcel is offered for sale under this chapter, the parcel is contiguous to one (1) or more parcels that satisfy the following:

(A) One (1) or more of the following are located on the contiguous parcel:

(i) A structure occupied for residential use.

(ii) A structure used in conjunction with a structure occupied for residential use.

(B) The contiguous parcel is eligible for the standard deduction under IC 6-1.1-12-37.

(c) A county legislative body may adopt an ordinance authorizing the sale of vacant parcels and certificates of sale for vacant parcels in the county under this section. The ordinance may establish criteria for the identification of vacant parcels and certificates of sale for vacant parcels to be offered for sale under this section. The criteria may include the following:



- (1) Limitations on the use of the parcel under local zoning and land use requirements.
- (2) If the parcel is unimproved, the minimum parcel area sufficient for construction of improvements.
- (3) Any other factor considered appropriate by the county legislative body.

In a county containing a consolidated city, the county legislative body may adopt an ordinance under this subsection only upon recommendation by the board of commissioners provided in IC 36-3-3-10.

(d) If the county legislative body adopts an ordinance under subsection (c), the county executive shall for each sale under this section:

- (1) by resolution, and subject to the criteria adopted by the county legislative body under subsection (c), identify each vacant parcel for which the county executive desires to sell the vacant parcel or the certificate of sale for the vacant parcel under this section; and
- (2) subject to subsection (e), give written notice to the owner of record of each parcel referred to in subsection (b)(3) that is contiguous to the vacant parcel.

(e) The notice under subsection (d)(2) with respect to each vacant parcel must include at least the following:

- (1) A description of the vacant parcel by:
 - (A) legal description; and
 - (B) parcel number or street address, or both.
- (2) Notice that the county executive will accept written applications from owners of parcels described in subsection (b)(3) as provided in subsection (f).
- (3) Notice of the deadline for applications referred to in subdivision (2) and of the information to be included in the applications.
- (4) Notice that the vacant parcel or certificate of sale for the vacant parcel will be sold to the successful applicant for:
 - (A) one dollar (\$1); plus
 - (B) the amounts described in section 5(f)(4) through 5(f)(6) of this chapter.

(f) To be eligible to purchase a vacant parcel or the certificate of sale for a vacant parcel under this section, the owner of a contiguous parcel referred to in subsection (b)(3) must file a written application with the county executive. The application must:

- (1) identify the vacant parcel or certificate of sale that the applicant desires to purchase; and



(2) include any other information required by the county executive.

(g) If more than one (1) application to purchase a single vacant parcel or the certificate of sale for a single vacant parcel is filed with the county executive, the county executive shall conduct a drawing between or among the applicants in which each applicant has an equal chance to be selected as the transferee of the vacant parcel or certificate of sale for the vacant parcel.

(h) The county executive shall by resolution make a final determination concerning the vacant parcels or certificates of sale for vacant parcels that are to be sold under this section.

(i) After the final determination of the vacant parcels and certificates of sale for vacant parcels to be sold under subsection (h), the county executive shall:

(1) on behalf of the county, cause all delinquent taxes, special assessments, penalties, and interest with respect to the vacant parcels to be removed from the tax duplicate; and

(2) give notice of the final determination to:

(A) the successful applicant;

(B) the county auditor; and

(C) the township assessor, or the county assessor if there is no township assessor for the township.

(j) Upon receipt of notice under subsection (i)(2):

(1) the county auditor shall:

(A) collect the purchase price from each successful applicant; and

(B) subject to subsection (k), prepare a tax deed transferring each vacant parcel to the successful applicant, if the conditions of IC 6-1.1-25-4.5 and IC 6-1.1-25-4.6 are satisfied; and

(2) if the vacant parcel is unimproved, the township assessor or county assessor shall consolidate each unimproved parcel sold and the contiguous parcel owned by the successful applicant into a single parcel.

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

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



vacant parcel that was subject to the consolidation.

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

- (1) Five (5) years after the transfer of title to the successful applicant.
- (2) The first transfer of title to the consolidated parcel that occurs after the consolidation.

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

SECTION 21. IC 6-1.1-24-13, AS AMENDED BY P.L.56-2012, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 13. (a) Whenever:

- (1) a tract is offered for sale under this chapter; and
- (2) no bid is received for the minimum sale price set under section 5 of this chapter;

the county auditor shall prepare a certified statement of the actual costs incurred by the county described in section ~~2(a)(3)(D)~~ **2(b)(3)(D)** of this chapter.

(b) The county auditor shall place the amount specified in the certified statement prepared under subsection (a) on the tax duplicate of the tract offered but not sold at the sale. The amount shall be collected as real property taxes are collected and paid into the county general fund.

(c) Whenever the minimum sale price is not received for a property that is on the list of abandoned or vacant property prepared under section 1.5 of this chapter, the executive of the county, city, or town that certified the property for the list may request that the county auditor execute and deliver a deed for the property to the executive. The request must be delivered to the county auditor within six (6) months after the date of sale. If it is an executive of a city or town that certified the property for the list prepared under section 1.5 of this chapter, and the executive does not deliver a request for a deed within six (6) months after the date of sale, the executive of the county may request that the county auditor execute and deliver a deed for the property to the county



executive. The request must be delivered to the county auditor within nine (9) months after the date of sale.

SECTION 22. IC 6-1.1-25-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: **Sec. 0.5. This chapter does not apply to vacant or abandoned real property that is on the list prepared by the county auditor under IC 6-1.1-24-1.5 unless the bid on the real property by the highest bidder is not at least the minimum bid and the county auditor executes and delivers a deed for the real property to the executive of a county, city, or town under IC 6-1.1-24-13(c). There is no right to redeem real property under this chapter after its sale under IC 6-1.1-24, if the real property is on the vacant and abandoned property list prepared by the county auditor under IC 6-1.1-24-1.5.**

SECTION 23. IC 6-1.1-25-4, AS AMENDED BY P.L.94-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: **Sec. 4. (a) There is no right to redeem real property under this chapter after its sale under IC 6-1.1-24, if the real property is on the vacant and abandoned property list prepared by the county auditor under IC 6-1.1-24-1.5.** The period for redemption of **any other** real property sold under IC 6-1.1-24 ~~except for IC 6-1.1-24-1.5~~ is:

- (1) one (1) year after the date of sale; or
- (2) one hundred twenty (120) days after the date of sale to a purchasing agency qualified under IC 36-7-17 or IC 36-7-17.1.

(b) Subject to subsection (1) and IC 6-1.1-24-9(d), the period for redemption of real property:

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

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

(c) The period for redemption of real property:

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

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

(d) When a deed for real property is executed under this chapter, the county auditor shall cancel the certificate of sale and file the canceled certificate in the office of the county auditor. ~~If real property that~~



appears on the list prepared under IC 6-1.1-24-1.5 is offered for sale and an amount that is at least equal to the minimum sale price required under IC 6-1.1-24-5 is not received, the county auditor shall issue a deed to the real property, subject to this chapter.

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

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

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

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

- (1) does not operate to extinguish an easement recorded before the date of the tax sale in the office of the recorder of the county in which the real property is located, regardless of whether the easement was taxed under this article separately from the real property; and
- (2) conveys title subject to all easements recorded before the date of the tax sale in the office of the recorder of the county in which the real property is located.

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

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

(i) A county auditor is not required to execute a deed to the county executive under this chapter if the county executive determines that the



property involved contains hazardous waste or another environmental hazard for which the cost of abatement or alleviation will exceed the fair market value of the property. The county executive may enter the property to conduct environmental investigations.

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

(k) When a deed is issued to a purchaser of a certificate of sale sold under IC 6-1.1-24-6.1, the county auditor shall, in the same manner that taxes are removed by certificate of error, remove from the tax duplicate the taxes, special assessments, interest, penalties, and costs remaining due as the difference between:

(1) the amount of:

(A) the last minimum bid under IC 6-1.1-24-5; plus

(B) any penalty associated with a delinquency that was not due until after the date of the sale under IC 6-1.1-24-5 but is due before the issuance of the certificate of sale, with respect to taxes included in the minimum bid that were not due at the time of the sale under IC 6-1.1-24-5; and

(2) the amount paid for the certificate of sale.

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

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

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

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



of the notice.

(n) The period of redemption for a property, which was not offered for sale under IC 6-1.1-24-4.7(j), is one hundred twenty (120) days after the conclusion of the tax sale at which the property was not offered.

SECTION 24. IC 6-1.1-25-4.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]:
Sec. 4.7. (a) A county auditor and county treasurer may enter into a mutual agreement for the county auditor to perform the following duties instead of the purchaser:

- (1) Notification and title search under section 4.5 of this chapter.
- (2) Notification and petition to the court for the tax deed under section 4.6 of this chapter.

(b) If a county auditor and county treasurer enter into an agreement under this section, notice shall be given under ~~IC 6-1.1-24-2(a)(11)~~: **IC 6-1.1-24-2(b)(12).**

SECTION 25. IC 6-1.1-25-4.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: **Sec. 4.8. Not later than ninety (90) days after the conclusion of a tax sale, the county auditor shall provide a notice to each person with a substantial property interest of record in a property that was not offered for sale in the tax sale under IC 6-1.1-24-4.7(j). The notice must contain at least the following:**

- (1) The street address, if any, or a common description of the tract or real property.
- (2) The key number or parcel number of the tract or real property.
- (3) A statement that the property was not offered for sale in the tax sale.
- (4) A statement that the property may be redeemed by any person at any time until one hundred twenty (120) days after the conclusion of the tax sale from which the property was removed.
- (5) The components of the amount required to redeem the property.
- (6) The date of expiration of the period of redemption specified in section 4 of this chapter.
- (7) A statement that the property may be disposed of by the county executive as provided in IC 6-1.1-24.
- (8) A statement that, if the county executive disposes of the property within three (3) years after the conclusion of the tax



sale at which the property would have been offered for sale, any amount received in excess of the amount of the minimum bid will be disbursed in the same manner as if the property had been sold in the tax sale.

SECTION 26. IC 6-1.1-25-20, AS ADDED BY P.L.66-2014, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 20. A county auditor who executes a tax deed under this chapter shall provide a copy of the tax deed to the grantee. The county auditor shall collect from the grantee the appropriate recording fee set forth in IC 36-2-7-10 on behalf of the county recorder and submit the tax deed directly to the county recorder for recording. The county recorder shall record the tax deed in the deed records and provide the recorded tax deed to the grantee in the normal course of business. ~~Notwithstanding IC 6-1.1-5.5-3, a sales disclosure form for such a property satisfies the requirements of IC 6-1.1-5.5 if only the county auditor signs the form.~~

SECTION 27. IC 32-29-7-3, AS AMENDED BY P.L.66-2014, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. (a) In a proceeding for the foreclosure of a mortgage executed on real estate, process may not issue for the execution of a judgment or decree of sale for a period of three (3) months after the filing of a complaint in the proceeding. However:

(1) the period is:

(A) twelve (12) months in a proceeding for the foreclosure of a mortgage executed before January 1, 1958; and

(B) six (6) months in a proceeding for the foreclosure of a mortgage executed after December 31, 1957, but before July 1, 1975; and

(2) if the court finds under IC 32-30-10.6 that the mortgaged real estate has been abandoned, a judgment or decree of sale may be executed on the date the judgment of foreclosure or decree of sale is entered, regardless of the date the mortgage is executed.

(b) A judgment and decree in a proceeding to foreclose a mortgage that is entered by a court having jurisdiction may be filed with the clerk in any county as provided in IC 33-32-3-2. After the period set forth in subsection (a) expires, a person who may enforce the judgment and decree may file a praecipe with the clerk in any county where the judgment and decree is filed, and the clerk shall promptly issue and certify to the sheriff of that county a copy of the judgment and decree under the seal of the court. However, if:

(1) a praecipe is not filed with the clerk within one hundred eighty (180) days after the later of the dates on which:



- (A) the period specified in subsection (a) expires; or
- (B) the judgment and decree is filed; and
- (2) the sale is not:
 - (A) otherwise prohibited by law;
 - (B) subject to a voluntary statewide foreclosure moratorium;
 - or
 - (C) subject to a written agreement that:
 - (i) provides for a delay in the sale of the mortgaged real estate; and
 - (ii) is executed by and between the owner of the mortgaged real estate and a party entitled to enforce the judgment and decree;

an enforcement authority that has issued an abatement order under IC 36-7-36-9 with respect to the mortgaged real estate may file a praecipe with the clerk in any county where the judgment and decree is filed. If an enforcement authority files a praecipe under this subsection, the clerk of the county in which the praecipe is filed shall promptly issue and certify to the sheriff of that county a copy of the judgment and decree under the seal of the court.

(c) Upon receiving a certified judgment under subsection (b), the sheriff shall, subject to section 4 of this chapter, sell the mortgaged premises or as much of the mortgaged premises as necessary to satisfy the judgment, interest, and costs at public auction at the office of the sheriff or at another location that is reasonably likely to attract higher competitive bids. The sheriff shall schedule the date and time of the sheriff's sale for:

- (1) a date not later than:
 - (A) sixty (60) days after the date on which a judgment and decree under IC 32-30-10.6-5; and**
 - (B) one hundred twenty (120) days after the date on which ~~the~~ a judgment and decree in all other cases;**

under seal of the court ~~are~~ **is** certified to the sheriff by the clerk; and

- (2) a time certain between the hours of 10 a.m. and 4 p.m. on any day of the week except Sunday.

(d) Before selling mortgaged property, the sheriff must advertise the sale by publication once each week for three (3) successive weeks in a daily or weekly newspaper of general circulation. The sheriff shall publish the advertisement in at least one (1) newspaper published and circulated in each county where the real estate is situated. The first publication shall be made at least thirty (30) days before the date of sale. At the time of placing the first advertisement by publication, the



sheriff shall also serve a copy of the written or printed notice of sale upon each owner of the real estate. Service of the written notice shall be made as provided in the Indiana Rules of Trial Procedure governing service of process upon a person. The sheriff shall charge a fee of ten dollars (\$10) to one (1) owner and three dollars (\$3) to each additional owner for service of written notice under this subsection. The fee is:

- (1) a cost of the proceeding;
- (2) to be collected as other costs of the proceeding are collected; and
- (3) to be deposited in the county general fund for appropriation for operating expenses of the sheriff's department.

(e) The sheriff also shall post written or printed notices of the sale at the door of the courthouse of each county in which the real estate is located.

(f) If the sheriff is unable to procure the publication of a notice within the county, the sheriff may dispense with publication. The sheriff shall state that the sheriff was not able to procure the publication and explain the reason why publication was not possible.

(g) Notices under subsections (d), (e), and (i) must contain a statement, for informational purposes only, of the location of each property by street address, if any, or other common description of the property other than legal description. A misstatement in the informational statement under this subsection does not invalidate an otherwise valid sale.

(h) The sheriff may charge an administrative fee of not more than two hundred dollars (\$200) with respect to a proceeding referred to in subsection (b) for actual costs directly attributable to the administration of the sale under subsection (c). The fee is:

- (1) payable by the person seeking to enforce the judgment and decree; and
- (2) due at the time of filing of the praecipe;

under subsection (b).

(i) If a sale of mortgaged property scheduled under this section is canceled, the sheriff shall provide written notice of the cancellation to each owner of the real estate. Service of the written notice shall be made as provided in the Indiana Rules of Trial Procedure governing service of process upon a person. The sheriff shall charge a fee of ten dollars (\$10) for notice to one (1) owner and three dollars (\$3) for notice to each additional owner for service of written notice under this subsection. The fee:

- (1) is a cost of the proceeding;
- (2) shall be collected as other costs of the proceeding are



collected; and

(3) shall be deposited in the county general fund for appropriation for operating expenses of the sheriff's department.

The fee for service under this subsection shall be paid by the person who caused the sale to be canceled.

SECTION 28. IC 32-30-10.3 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:

Chapter 10.3. State Regulation of Mortgage Foreclosures

Sec. 1. The state is the sole regulator of the process of mortgage foreclosures, including the duties and obligations of borrowers and lenders in connection with mortgage foreclosures. This chapter preempts all other regulation of the process of mortgage foreclosures by a political subdivision.

Sec. 2. As used in this chapter, "political subdivision" has the meaning set forth in IC 36-1-2-13.

Sec. 3. A political subdivision may not do any of the following:

(1) Enact, issue, or enforce ordinances, resolutions, regulations, orders, requests for proposals, or requests for bids pertaining to mortgage foreclosure activities or practices and rules that disqualify persons from doing business with a municipality and that are based upon mortgage foreclosure activities or practices.

(2) Impose reporting requirements or any other obligations upon persons regarding mortgage foreclosure activities or practices or upon subsidiaries or affiliates that:

(A) are subject to the jurisdiction of the department of financial institutions;

(B) are subject to the jurisdiction or regulatory supervision of the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, the National Credit Union Administration, the Federal Deposit Insurance Corporation, the Federal Trade Commission, the United States Department of Housing and Urban Development or the Federal Housing Finance Agency;

(C) are chartered by the United States Congress to engage in secondary market mortgage transactions;

(D) are created by the Indiana housing and community development authority; or

(E) originate, purchase, sell, assign, securitize, or service property interests or obligations created by financial transactions or loans made, executed, originated, or



purchased by persons referred to in clauses (A), (B), (C), or (D).

SECTION 29. IC 32-30-10.6-1, AS AMENDED BY P.L.66-2014, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 1. This chapter applies to the following:

- (1) a mortgage foreclosure action filed under IC 32-30-10-3.
- (2) ~~A determination that property is abandoned or vacant for purposes of IC 6-1.1-24 or IC 34-30-26-7.~~

SECTION 30. IC 32-30-10.6-2 IS REPEALED [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]. Sec. 2: ~~As used in this chapter, "enforcement authority" refers to the enforcement authority (as defined in IC 36-7-9-2) that has jurisdiction in the location of the property.~~

SECTION 31. IC 32-30-10.6-2.3 IS REPEALED [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]. Sec. 2.3: ~~As used in this chapter, "executive of a county" in a county containing a consolidated city means the executive of the consolidated city.~~

SECTION 32. IC 32-30-10.6-3.5 IS REPEALED [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]. Sec. 3.5: (a) This section applies to a property whether or not there is a mortgage on the property:

- (b) ~~As an alternative to seeking a determination of abandonment under any other statute, the executive of a county, city, or town that:~~
 - (1) ~~has jurisdiction in the location of a property; and~~
 - (2) ~~does not have a person designated as a hearing authority; as defined by IC 36-7-9-2;~~

~~may petition a court for a determination that the property is abandoned.~~

(c) ~~A petition filed with the court under this section must do all the following:~~

- (1) ~~Include a statement of the enforcement authority's jurisdiction in the location of the property.~~
- (2) ~~Allege that the property is abandoned.~~
- (3) ~~Include evidence that one (1) or more of the conditions set forth in section 5(a) or 5(b) of this chapter apply.~~
- (d) ~~A petition under this section shall be served on:~~
 - (1) ~~the creditor and the debtor, if the property is subject to a mortgage; and~~
 - (2) ~~any other appropriate party;~~

~~in the manner prescribed by the Indiana Rules of Trial Procedure.~~

SECTION 33. IC 32-30-10.6-4, AS AMENDED BY P.L.203-2013, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 4. (a) Upon receiving a



request for a determination of abandonment from a creditor ~~or an enforcement authority~~; through a petition or motion filed with the court and served on the required parties in accordance with section 3 ~~or 3.5~~ of this chapter, the court shall issue an order to show cause as to why the property should not be found to be abandoned **and a judgment in rem foreclosing the mortgage entered** and directing the petitioner, the debtor, and any other person or party the court considers appropriate to appear before the court on a date and time specified in the order under subdivision (1). The court's order under this subsection must do the following:

(1) Direct the parties subject to the order to appear before the court on a date and time specified by the court. The date specified under this subdivision must not be:

- (A) earlier than fifteen (15) days; or
- (B) later than twenty-five (25) days;

after the date of the court's order under this section.

(2) Notify the parties subject to the order that any party ordered to appear:

(A) may present evidence or objections on the issue of abandonment to the court:

- (i) in writing before the appearance date specified by the court under subdivision (1); or
- (ii) in writing or by oral testimony on the date and at the time specified by the court under subdivision (1);

in the manner specified by the court; and

(B) has the right to be represented by an attorney when appearing before the court.

(3) Notify the parties subject to the order that if a party fails to:

(A) submit written evidence or objections to the court before the appearance date specified by the court under subdivision (1); or

(B) appear before the court on the date and at the time specified by the court under subdivision (1);

the party's failure to submit evidence or objections or to appear before the court will result in a finding of abandonment **and the entry of an in rem judgment foreclosing the mortgage** by the court.

(b) A party subject to an order issued by the court under this section has the following rights, as described in the court's order under subsection (a):

(1) The right to present evidence or objections on the issue of abandonment to the court:



- (A) in writing before the appearance date specified in the court's order under subsection (a)(1); or
 - (B) in writing or by oral testimony on the date and at the time specified in the court's order under subsection (a)(1);
- in the manner specified by the court.
- (2) The right to be represented by an attorney when appearing before the court.

SECTION 34. IC 32-30-10.6-5, AS AMENDED BY P.L.203-2013, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 5. (a) Subject to subsection (b), for purposes of an abandonment determination under this chapter, one (1) or more of the following constitute prima facie evidence that property is abandoned:

- (1) The enforcement authority that has jurisdiction in the location of the property has issued an order under IC 36-7-36-9 with respect to the property.
- (2) Windows or entrances to the property are boarded up or closed off.
- (3) Multiple window panes on the property are broken and unrepaired.
- (4) One (1) or more doors to the property are smashed through, broken off, unhinged, or continuously unlocked.
- (5) Gas service, electric service, water service, or other utility service to the property has been terminated.
- (6) Rubbish, trash, or debris has accumulated on the property.
- (7) The property is deteriorating and is either below or in imminent danger of falling below minimum community standards for public safety and sanitation.
- (8) The creditor has changed the locks on the property and for at least fifteen (15) days after the changing of the locks the owner has not requested entrance to the property.
- (9) There exist one (1) or more written statements, including documents of conveyance, that have been executed by the debtor, or by the debtor's personal representatives or assigns, and that indicate a clear intent to abandon the property.
- (10) There exists other evidence indicating a clear intent to abandon the property.

(b) Regardless of whether any of the conditions described in subsection (a) are found to apply, the debtor's failure to either:

- (1) present evidence or objections on the issue of abandonment to the court in writing before the appearance date specified in the court's order under section 4(a)(1) of this chapter; or



(2) appear before the court on the date specified in the court's order under section 4(a)(1) of this chapter;
constitutes prima facie evidence that the property is abandoned.

(c) If the court finds that:

(1) one (1) or more of the conditions described in subsection (a) apply; or

(2) the circumstances described in subsection (b) apply;
the court shall issue an order finding that the property is abandoned **and enter a judgment in rem foreclosing the mortgage.**

SECTION 35. IC 32-30-10.6-6 IS REPEALED [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]. ~~Sec. 6: (a) This section applies only to a petition by the executive of a county, city, or town for a court order of abandonment.~~

~~(b) Instead of providing notice at least one hundred twenty (120) days before the date of a certification under IC 6-1.1-24-1.5, the executive of the county, city, or town that is filing the petition may provide the notice referred to IC 6-1.1-24-2.3 at least one hundred twenty (120) days before a petition is filed under section 3.5 of this chapter.~~

~~(c) A court order of abandonment under this chapter authorizes the sale of the property and transfer of the deed of the property under IC 6-1.1-24-1.5.~~

SECTION 36. IC 33-37-4-4, AS AMENDED BY P.L.231-2013, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The clerk shall collect a civil costs fee of one hundred dollars (\$100) from a party filing a civil action. This subsection does not apply to the following civil actions:

- (1) Proceedings to enforce a statute defining an infraction under IC 34-28-5 (or IC 34-4-32 before its repeal).
- (2) Proceedings to enforce an ordinance under IC 34-28-5 (or IC 34-4-32 before its repeal).
- (3) Proceedings in juvenile court under IC 31-34 or IC 31-37.
- (4) Proceedings in paternity under IC 31-14.
- (5) Proceedings in small claims court under IC 33-34.
- (6) Proceedings in actions described in section 7 of this chapter.

(b) In addition to the civil costs fee collected under this section, the clerk shall collect the following fees, if they are required under IC 33-37-5:

- (1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).
- (2) A support and maintenance fee (IC 33-37-5-6).
- (3) A document storage fee (IC 33-37-5-20).



- (4) An automated record keeping fee (IC 33-37-5-21).
- (5) A public defense administration fee (IC 33-37-5-21.2).
- (6) A judicial insurance adjustment fee (IC 33-37-5-25).
- (7) A judicial salaries fee (IC 33-37-5-26).
- (8) A court administration fee (IC 33-37-5-27).
- (9) A service fee (IC 33-37-5-28(b)(1) or IC 33-37-5-28(b)(2)).
- (10) A garnishee service fee (IC 33-37-5-28(b)(3) or IC 33-37-5-28(b)(4)).
- (11) For a mortgage foreclosure action, a mortgage foreclosure counseling and education fee ~~(IC 33-37-5-32)~~ **(IC 33-37-5-33)** (before its expiration on ~~January 1, 2015~~ **July 1, 2017**).
- (12) Before July 1, 2017, a pro bono legal services fee (IC 33-37-5-31).

SECTION 37. IC 33-37-5-33 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 33. (a) This section applies to a civil action in which the clerk is required to collect a civil costs fee under IC 33-37-4-4. The clerk shall collect a fifty dollar (\$50) mortgage foreclosure counseling and education fee from a party filing an action to foreclose a mortgage.**

(b) This section expires July 1, 2017.

SECTION 38. IC 33-37-7-2, AS AMENDED BY P.L.284-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The clerk of a circuit court shall distribute semiannually to the auditor of state as the state share for deposit in the homeowner protection unit account established by IC 4-6-12-9 one hundred percent (100%) of the automated record keeping fees collected under IC 33-37-5-21 with respect to actions resulting in the accused person entering into a pretrial diversion program agreement under IC 33-39-1-8 or a deferral program agreement under IC 34-28-5-1 and for deposit in the state general fund seventy percent (70%) of the amount of fees collected under the following:

- (1) IC 33-37-4-1(a) (criminal costs fees).
- (2) IC 33-37-4-2(a) (infraction or ordinance violation costs fees).
- (3) IC 33-37-4-3(a) (juvenile costs fees).
- (4) IC 33-37-4-4(a) (civil costs fees).
- (5) IC 33-37-4-6(a)(1)(A) (small claims costs fees).
- (6) IC 33-37-4-7(a) (probate costs fees).
- (7) IC 33-37-5-17 (deferred prosecution fees).

(b) The clerk of a circuit court shall distribute semiannually to the auditor of state for deposit in the state user fee fund established in



IC 33-37-9-2 the following:

- (1) Twenty-five percent (25%) of the drug abuse, prosecution, interdiction, and correction fees collected under IC 33-37-4-1(b)(5).
- (2) Twenty-five percent (25%) of the alcohol and drug countermeasures fees collected under IC 33-37-4-1(b)(6), IC 33-37-4-2(b)(4), and IC 33-37-4-3(b)(5).
- (3) One hundred percent (100%) of the child abuse prevention fees collected under IC 33-37-4-1(b)(7).
- (4) One hundred percent (100%) of the domestic violence prevention and treatment fees collected under IC 33-37-4-1(b)(8).
- (5) One hundred percent (100%) of the highway work zone fees collected under IC 33-37-4-1(b)(9) and IC 33-37-4-2(b)(5).
- (6) One hundred percent (100%) of the safe schools fee collected under IC 33-37-5-18.
- (7) The following:
 - (A) For a county operating under the state's automated judicial system, one hundred percent (100%) of the automated record keeping fee (IC 33-37-5-21) not distributed under subsection (a).
 - (B) This clause applies before July 1, 2013, and after June 30, 2015. For a county not operating under the state's automated judicial system, eighty percent (80%) of the automated record keeping fee (IC 33-37-5-21) not distributed under subsection (a).
 - (C) This clause applies after June 30, 2013, and before July 1, 2015. For a county not operating under the state's automated judicial system, five dollars (\$5) of the automated record keeping fee (IC 33-37-5-21) not distributed under subsection (a).

(c) The clerk of a circuit court shall distribute monthly to the county auditor the following:

- (1) Seventy-five percent (75%) of the drug abuse, prosecution, interdiction, and correction fees collected under IC 33-37-4-1(b)(5).
- (2) Seventy-five percent (75%) of the alcohol and drug countermeasures fees collected under IC 33-37-4-1(b)(6), IC 33-37-4-2(b)(4), and IC 33-37-4-3(b)(5).

The county auditor shall deposit fees distributed by a clerk under this subsection into the county drug free community fund established under IC 5-2-11.

(d) The clerk of a circuit court shall distribute monthly to the county



auditor one hundred percent (100%) of the late payment fees collected under IC 33-37-5-22. The county auditor shall deposit fees distributed by a clerk under this subsection as follows:

(1) If directed to do so by an ordinance adopted by the county fiscal body, the county auditor shall deposit forty percent (40%) of the fees in the clerk's record perpetuation fund established under IC 33-37-5-2 and sixty percent (60%) of the fees in the county general fund.

(2) If the county fiscal body has not adopted an ordinance described in subdivision (1), the county auditor shall deposit all the fees in the county general fund.

(e) The clerk of the circuit court shall distribute semiannually to the auditor of state for deposit in the sexual assault victims assistance account established by IC 5-2-6-23(h) one hundred percent (100%) of the sexual assault victims assistance fees collected under IC 33-37-5-23.

(f) The clerk of a circuit court shall distribute monthly to the county auditor the following:

(1) One hundred percent (100%) of the support and maintenance fees for cases designated as non-Title IV-D child support cases in the Indiana support enforcement tracking system (ISETS) or the successor statewide automated support enforcement system collected under IC 33-37-5-6.

(2) The percentage share of the support and maintenance fees for cases designated as Title IV-D child support cases in ISETS or the successor statewide automated support enforcement system collected under IC 33-37-5-6 that is reimbursable to the county at the federal financial participation rate.

The county clerk shall distribute monthly to the department of child services the percentage share of the support and maintenance fees for cases designated as Title IV-D child support cases in ISETS, or the successor statewide automated support enforcement system, collected under IC 33-37-5-6 that is not reimbursable to the county at the applicable federal financial participation rate.

(g) The clerk of a circuit court shall distribute monthly to the county auditor the following:

(1) One hundred percent (100%) of the small claims service fee under IC 33-37-4-6(a)(1)(B) or IC 33-37-4-6(a)(2) for deposit in the county general fund.

(2) One hundred percent (100%) of the small claims garnishee service fee under IC 33-37-4-6(a)(1)(C) or IC 33-37-4-6(a)(3) for deposit in the county general fund.



(h) This subsection does not apply to court administration fees collected in small claims actions filed in a court described in IC 33-34. The clerk of a circuit court shall semiannually distribute to the auditor of state for deposit in the state general fund one hundred percent (100%) of the following:

- (1) The public defense administration fee collected under IC 33-37-5-21.2.
- (2) The judicial salaries fees collected under IC 33-37-5-26.
- (3) The DNA sample processing fees collected under IC 33-37-5-26.2.
- (4) The court administration fees collected under IC 33-37-5-27.

(i) The clerk of a circuit court shall semiannually distribute to the auditor of state for deposit in the judicial branch insurance adjustment account established by IC 33-38-5-8.2 one hundred percent (100%) of the judicial insurance adjustment fee collected under IC 33-37-5-25.

(j) The proceeds of the service fee collected under IC 33-37-5-28(b)(1) or IC 33-37-5-28(b)(2) shall be distributed as follows:

- (1) The clerk shall distribute one hundred percent (100%) of the service fees collected in a circuit, superior, county, or probate court to the county auditor for deposit in the county general fund.
- (2) The clerk shall distribute one hundred percent (100%) of the service fees collected in a city or town court to the city or town fiscal officer for deposit in the city or town general fund.

(k) The proceeds of the garnishee service fee collected under IC 33-37-5-28(b)(3) or IC 33-37-5-28(b)(4) shall be distributed as follows:

- (1) The clerk shall distribute one hundred percent (100%) of the garnishee service fees collected in a circuit, superior, county, or probate court to the county auditor for deposit in the county general fund.
- (2) The clerk shall distribute one hundred percent (100%) of the garnishee service fees collected in a city or town court to the city or town fiscal officer for deposit in the city or town general fund.

(l) The clerk of the circuit court shall distribute semiannually to the auditor of state for deposit in the home ownership education account established by IC 5-20-1-27 one hundred percent (100%) of the following:

- (1) The mortgage foreclosure counseling and education fees collected under ~~IC 33-37-5-32~~ **IC 33-37-5-33** (before its expiration on ~~January 1, 2015~~; **July 1, 2017**).
- (2) Any civil penalties imposed and collected by a court for a



violation of a court order in a foreclosure action under IC 32-30-10.5.

(m) This subsection applies to a county that is not operating under the state's automated judicial system. The clerk of a circuit court shall distribute monthly to the county auditor the following part of the automated record keeping fee (IC 33-37-5-21) not distributed under subsection (a) for deposit in the clerk's record perpetuation fund:

(1) Twenty percent (20%), before July 1, 2013, and after June 30, 2015.

(2) Two dollars (\$2) of each fee collected, after June 30, 2013, and before July 1, 2015.

(n) The clerk of a circuit court shall distribute semiannually to the auditor of state one hundred percent (100%) of the pro bono legal services fees collected before July 1, 2017, under IC 33-37-5-31. The auditor of state shall transfer semiannually the pro bono legal services fees to the Indiana Bar Foundation (or a successor entity) as the entity designated to organize and administer the interest on lawyers trust accounts (IOLTA) program under Rule 1.15 of the Rules of Professional Conduct of the Indiana supreme court. The Indiana Bar Foundation shall:

(1) deposit in an appropriate account and otherwise manage the fees the Indiana Bar Foundation receives under this subsection in the same manner the Indiana Bar Foundation deposits and manages the net earnings the Indiana Bar Foundation receives from IOLTA accounts; and

(2) use the fees the Indiana Bar Foundation receives under this subsection to assist or establish approved pro bono legal services programs.

The handling and expenditure of the pro bono legal services fees received under this section by the Indiana Bar Foundation (or its successor entity) are subject to audit by the state board of accounts. The amounts necessary to make the transfers required by this subsection are appropriated from the state general fund.

SECTION 39. IC 34-30-26-7, AS ADDED BY P.L.66-2014, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. (a) This section applies to real property for which **the executive of a city, town, or county or an enforcement authority (as defined by IC 36-7-9-2)** has obtained a **judgment determination of abandonment** under ~~IC 32-30-10.6~~ **that the real property is (1) vacant; or (2) abandoned; due to a request for a determination by an enforcement authority: IC 36-7-37 or IC 36-7-9.**

(b) A city, town, or county may provide a potential purchaser or a



potential lender to a person who may want to purchase the real property an opportunity to visually inspect the real property, if accompanied by the appropriate enforcement authority. The appropriate enforcement authority may accompany the person in inspecting the real property and may enter upon the real property, including any structure located on the real property, to visually inspect the real property to determine whether the real property may be desirable. For purposes of a visual inspection under this section, a potential purchaser or a potential lender may not:

- (1) request a utility provider or the city, town, or county to connect or turn on utilities to the real property; or
- (2) physically disturb or alter the real property.

(c) An enforcement authority or a person that enters upon the premises of real property as permitted under this section:

- (1) is immune from civil liability for an act or omission related to the entry, unless the act or omission constitutes gross negligence or willful, wanton, or intentional misconduct; and
- (2) shall be held harmless from and against all claims of civil or criminal trespass.

SECTION 40. IC 36-1-11-5.6, AS AMENDED BY P.L.119-2012, SECTION 178, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5.6. Notwithstanding IC 5-22-22 and sections 4, 4.1, 4.2, and 5 of this chapter, a disposing agent of a county ~~having a population of more than seventy thousand (70,000) but less than seventy thousand fifty (70,050)~~ may sell or transfer:

- (1) real property; or
- (2) tangible or intangible personal property, licenses, or any interest in the tangible or intangible personal property;

for no compensation or a nominal fee to a nonprofit corporation created for agricultural, educational, or recreational purposes.

SECTION 41. IC 36-7-9-5, AS AMENDED BY P.L.203-2013, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. (a) The enforcement authority may issue an order requiring action relative to any unsafe premises, including:

- (1) vacating of an unsafe building;
- (2) sealing an unsafe building against intrusion by unauthorized persons, in accordance with a uniform standard established by ordinance;
- (3) extermination of vermin in and about the unsafe premises;
- (4) removal of trash, debris, fire hazardous material, or a public health hazard in and about the unsafe premises;
- (5) repair or rehabilitation of an unsafe building to bring it into compliance with standards for building condition or maintenance



required for human habitation, occupancy, or use by a statute, a rule adopted under IC 4-22-2, or an ordinance;

(6) demolition and removal of part of an unsafe building;

(7) demolition and removal of an unsafe building if:

(A) the general condition of the building warrants removal; or

(B) the building continues to require reinspection and additional abatement action after an initial abatement action was taken pursuant to notice and an order; and

(8) requiring, for an unsafe building that will be sealed for a period of more than ninety (90) days:

(A) sealing against intrusion by unauthorized persons and the effects of weather;

(B) exterior improvements to make the building compatible in appearance with other buildings in the area; and

(C) continuing maintenance and upkeep of the building and premises;

in accordance with standards established by ordinance.

Notice of the order must be given under section 25 of this chapter. The ordered action must be reasonably related to the condition of the unsafe premises and the nature and use of nearby properties. The order supersedes any permit relating to building or land use, whether that permit is obtained before or after the order is issued.

(b) The order must contain **the following**:

(1) The name of the person to whom the order is issued.

(2) The legal description or address of the unsafe premises that are the subject of the order.

(3) The action that the order requires.

(4) The period of time in which the action is required to be accomplished, measured from the time when the notice of the order is given.

(5) If a hearing is required, a statement indicating the exact time and place of the hearing, and stating that person to whom the order was issued is entitled to appear at the hearing with or without legal counsel, present evidence, cross-examine opposing witnesses, and present arguments.

(6) If a hearing is not required, a statement that an order under subsection (a)(2), (a)(3), (a)(4), or (a)(5) becomes final ten (10) days after notice is given, unless a hearing is requested in writing by a person holding a fee interest, life estate interest, or equitable interest of a contract purchaser in the unsafe premises, and the request is delivered to the enforcement authority before the end of the ten (10) day period.



(7) A statement briefly indicating what action can be taken by the enforcement authority if the order is not complied with.

(8) A statement indicating the obligation created by section 27 of this chapter relating to notification of subsequent interest holders and the enforcement authority. ~~and~~

(9) The name, address, and telephone number of the enforcement authority.

(10) A statement that the hearing authority may determine the property to be abandoned as provided in IC 36-7-37.

(c) The order must allow a sufficient time, of at least ten (10) days, but not more than sixty (60) days, from the time when notice of the order is given, to accomplish the required action. If the order allows more than thirty (30) days to accomplish the action, the order may require that a substantial beginning be made in accomplishing the action within thirty (30) days.

(d) The order expires two (2) years from the day the notice of the order is given, unless one (1) or more of the following events occurs within that two (2) year period:

(1) A complaint requesting judicial review is filed under section 8 of this chapter.

(2) A contract for action required by the order is let at public bid under section 11 of this chapter.

(3) A civil action is filed under section 17 of this chapter.

(e) If the order contains a statement under subsection (a)(6) or (a)(7), notice of the order shall be given to each person with a known or recorded substantial property interest.

SECTION 42. IC 36-7-9-7, AS AMENDED BY P.L.88-2009, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. (a) A hearing must be held relative to each order of the enforcement authority, except for an order issued under section 5(a)(2), 5(a)(3), 5(a)(4), ~~or~~ 5(a)(5), **or 7.5** of this chapter. An order issued under section 5(a)(2), 5(a)(3), 5(a)(4), ~~or~~ 5(a)(5), **or 7.5** of this chapter becomes final ten (10) days after notice is given, unless a hearing is requested before the ten (10) day period ends by a person holding a fee interest, life estate interest, mortgage interest, or equitable interest of a contract purchaser in the unsafe premises. The hearing shall be conducted by the hearing authority.

(b) The hearing shall be held on a business day no earlier than ten (10) days after notice of the order is given. The hearing authority may, however, take action at the hearing, or before the hearing if a written request is received by the enforcement authority not later than five (5) days after notice is given, to continue the hearing to a business day not



later than fourteen (14) days after the hearing date shown on the order. Unless the hearing authority takes action to have the continued hearing held on a definite, specified date, notice of the continued hearing must be given to the person to whom the order was issued at least five (5) days before the continued hearing date, in the manner prescribed by section 25 of this chapter. If the order being considered at the continued hearing was served by publication, it is sufficient to give notice of the continued hearing by publication unless the enforcement authority has received information in writing that enables it to make service under section 25 of this chapter by a method other than publication.

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

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

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

(e) In addition to affirming the order, in those cases in which the hearing authority finds that there has been a willful failure to comply with the order, the hearing authority may impose a civil penalty in an amount not to exceed five thousand dollars (\$5,000). The effective date of the civil penalty may be postponed for a reasonable period, after which the hearing authority may order the civil penalty reduced or stricken if the hearing authority is satisfied that all work necessary to fully comply with the order has been done. For purposes of an appeal under section 8 of this chapter or enforcement of an order under section 17 of this chapter, action of the hearing authority is considered final upon the affirmation of the order, even though the hearing authority may retain jurisdiction for the ultimate determination related to the civil penalty. In the hearing authority's exercise of continuing jurisdiction, the hearing authority may, in addition to reducing or striking the civil penalty, impose one (1) or more additional civil penalties in an amount not to exceed five thousand dollars (\$5,000) per civil penalty. An additional civil penalty may be imposed if the hearing



authority finds that:

- (1) significant work on the premises to comply with the affirmed order has not been accomplished; and
- (2) the premises have a negative effect on property values or the quality of life of the surrounding area or the premises require the provision of services by local government in excess of the services required by ordinary properties.

The hearing authority may not impose an additional civil penalty in a hearing to review a civil penalty imposed by the enforcement authority under section 7.5 of this chapter.

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

(g) If an order is affirmed or modified, the hearing authority shall issue a continuous enforcement order (as defined in section 2 of this chapter).

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

(i) The record of the findings made and action taken by the hearing authority at the hearing shall be available to the public upon request. However, neither the enforcement authority nor the hearing authority is required to give any person notice of the findings and action.

(j) If a civil penalty under subsection (e) is unpaid for more than fifteen (15) days after payment of the civil penalty is due, the civil penalty may be collected from any person against whom the hearing officer assessed the civil penalty or fine. A civil penalty or fine may be collected under this subsection in the same manner as costs under section 13 or 13.5 of this chapter. The amount of the civil penalty or fine that is collected shall be deposited in the unsafe building fund.

SECTION 43. IC 36-7-9-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 7.5. (a) This section applies to an order issued under section 5(a)(5) of this chapter for which a hearing was not**



requested as provided in section 7 of this chapter.

(b) If the person to whom the order was issued fails or refuses to comply with the order within sixty (60) days or the time specified in the order, the enforcement authority may impose a civil penalty not to exceed two thousand five hundred dollars (\$2,500). The enforcement authority shall give notice of the civil penalty to all persons with a known or recorded substantial property interest in the unsafe premises.

(c) After a civil penalty is imposed under subsection (b), the enforcement authority may impose an additional civil penalty in an amount not to exceed one thousand dollars (\$1,000) every ninety (90) days if the person to whom the order was issued continues to fail or refuse to comply with the order.

(d) If a civil penalty under this section is unpaid for more than fifteen (15) days after payment of the civil penalty is due, the civil penalty may be collected in the same manner as costs under section 13 or 13.5 of this chapter. The amount of the civil penalty that is collected shall be deposited in the unsafe building fund.

SECTION 44. IC 36-7-9-8, AS AMENDED BY P.L.169-2006, SECTION 61, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. (a) An action taken **by the hearing authority** under section 7(d), ~~or 7(e), or 9(d)~~ of this chapter **or a finding by the hearing authority of abandonment under IC 36-7-37** is subject to review by the circuit or superior court of the county in which the unsafe premises are located, on request of:

- (1) any person who has a substantial property interest in the unsafe premises; or
- (2) any person to whom that order **or finding** was issued.

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

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

SECTION 45. IC 36-7-9-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. (a) If the enforcement authority finds it necessary to take emergency action concerning an unsafe premises in order to protect life, safety, or property, it may take that action without issuing an order or giving notice. However, this emergency action must be limited to removing any immediate danger.

(b) The department, acting through the enforcement authority, may



recover the costs incurred by the enforcement authority in taking emergency action, by filing a civil action in the circuit court or superior court of the county against the persons who held a fee interest, life estate interest, or equitable interest of a contract purchaser in the unsafe premises at the time the enforcement authority found it necessary to take emergency action. The department is not liable for the costs of this civil action.

(c) If an unsafe premises poses an immediate danger to the life or safety of persons occupying or using nearby property, the enforcement authority may, without following this chapter's requirements for issuing an order and giving notice, take emergency action to require persons to vacate and not use the nearby property until the danger has passed. However, any person required to vacate an unsafe premises under this subsection may challenge in an emergency court proceeding the enforcement authority's determination that the premises poses an immediate danger to the life or safety of any person. In an emergency court proceeding, the enforcement authority has the burden of proving that emergency action is necessary to protect from immediate danger the life or safety of persons occupying or using nearby property.

(d) Instead of filing a civil action to recover the costs incurred by the enforcement authority in taking emergency action, the enforcement authority may set a hearing for the hearing authority to review the necessity of the emergency action and the amount of the costs of the emergency action. Notice of the hearing must be provided to each person with a known or recorded substantial property interest in the unsafe premises. If the emergency action or the costs of the emergency action are determined by the hearing authority to have been an abuse of discretion or otherwise unlawful, the hearing authority may reduce or deny the costs of the emergency action as warranted under the circumstances; otherwise, the hearing authority shall affirm the costs of the emergency action. The amount of the costs affirmed by the hearing authority may then be collected as provided in sections 12 through 13.5 of this chapter.

SECTION 46. IC 36-7-9-12, AS AMENDED BY P.L.68-2010, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 12. (a) When action required by an order is performed by the enforcement authority or by a contractor acting under section 9 or 11 of this chapter, each person who held a fee interest, life estate interest, or equitable interest of a contract purchaser in the unsafe premises from the time when the order requiring the work performed was issued to the time that the work was completed, **or, if**



emergency action was taken under section 9 of this chapter, during the time of such emergency action, is jointly and severally responsible for the following costs:

(1) The:

(A) actual cost of the emergency action taken, as affirmed by the hearing authority; or

(B) actual cost of the work performed by the enforcement authority or the bid price of work accomplished by the contractor under section 11 of this chapter.

(2) An amount that represents a reasonable forecast of the average processing expense that will be incurred by the enforcement authority in taking the technical, administrative, and legal actions concerning typical unsafe premises that are necessary under this chapter so that the action required by an order may be performed by a contractor under section **9 or 11** of this chapter. In calculating the amount of the average processing expense, the following costs may be considered:

(A) The cost of obtaining reliable information about the identity and location of persons who own a substantial property interest in the unsafe premises.

(B) The cost of notice of orders, notice of statements of rescission, notice of continued hearing, notice of statements that public bids are to be let or that the enforcement authority intends to accomplish the work, and notice that a hearing may be held on the amounts indicated in the record, in accordance with section 25 of this chapter.

(C) Salaries for employees.

(D) The cost of supplies, equipment, and office space.

(b) The board or commission having control over the department shall determine the amount of the average processing expense at the public hearing, after notice has been given in the same manner as is required for other official action of the board or commission. In determining the average processing expense, the board or commission may fix the amount at a full dollar amount that is an even multiple of ten (10).

SECTION 47. IC 36-7-9-13.5, AS AMENDED BY P.L.169-2006, SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 13.5. (a) This section does not apply to the collection of an amount if a court determines under section 13 of this chapter that the enforcement authority is not entitled to the amount.

(b) If:

(1) all or any part of the costs listed in section 12 of this chapter



remain unpaid for any unsafe premises (other than unsafe premises owned by a governmental entity) for more than fifteen (15) days after completion of the work; **or**

(2) emergency action was taken under section 9 of this chapter, for more than fifteen (15) days after the costs of the emergency action have been affirmed by the hearing authority;

the enforcement authority may send notice under section 25 of this chapter to each person who held a known or recorded fee interest, life estate interest, or equitable interest of a contract purchaser in the unsafe premises. If the notice is sent, the enforcement authority shall also send notice to any mortgagee with a known or recorded substantial property interest. The notice must require full payment of the amount owed within thirty (30) days.

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

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

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

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

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

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

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

SECTION 48. IC 36-7-9-20.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 20.5. (a) This section applies only to property determined to be:**

(1) an unsafe premises under this chapter; and

(2) abandoned under IC 36-7-37.

(b) The circuit court of the county in which the unit is located



shall appoint the hearing authority.

(c) A city, town, or county having an enforcement authority may adopt or amend an ordinance to set requirements for the receiver that are more stringent than is provided in this section.

(d) Upon the request of the enforcement authority or the enforcement authority's designee, a circuit court acting under section 17 of this chapter may appoint a receiver to take possession of, rehabilitate, and transfer the property. The receiver may be any competent person who has been approved by the enforcement authority.

(e) If the enforcement authority or the enforcement authority's designee requests the appointment of a receiver, all persons having a substantial interest in the property shall be made party defendants and given notice.

(f) A receiver shall provide written notice to the county auditor and the county treasurer that a receiver has been appointed.

(g) The county treasurer may file a proof of claim with the receiver that identifies the taxes that are owed at the time the receiver took possession of the property. The proof of claim must include a detailed breakdown of all taxes, special assessments, fees, fines from the enforcement authority, and penalties that are owed on the property.

(h) The county treasurer may request that the county auditor waive penalties that incurred after the proof of claim is filed. The county auditor may waive such penalties.

(i) A receiver appointed to transfer property may do the following:

- (1) Enter into contracts and do all things necessary to maintain, rehabilitate, and prepare the property for sale, including demolition of structures or parts of structures that may not reasonably be rehabilitated.
- (2) Enter into any contracts and do all things necessary to accomplish the transfer of the property.
- (3) Investigate claims on the proceeds of sale submitted under subsection (k).

The enforcement authority may utilize funds from the unsafe building fund for expenses incurred by the receiver in carrying out the receiver's responsibilities.

(j) A transfer under this section shall be conducted as follows:

- (1) The property shall be offered at a public auction, unless the property is claimed at any time by a recorded owner of the property.



(2) A bidder must be in good standing as determined by the enforcement authority or by the receiver acting as the enforcement authority's designee. The receiver may establish minimum qualifications for bidders, investigate a bidder's qualifications and ability to rehabilitate the property, and prequalify bidders before holding an auction. A person prohibited from bidding at an auction held under IC 6-1.1-24-6.1 may not bid at a receiver's auction held under this section.

(3) The receiver may establish a minimum bid for the auction.

(4) Notice of the auction must be given by publication and such other means as determined by the receiver at least thirty (30) days before the auction.

(5) The receiver may cancel the auction at any time and for any reason. The auction may be rescheduled as determined by the receiver.

(6) The receiver may impose any reasonable conditions upon the sale.

(k) After the transfer of title to the purchaser, the receiver shall serve a notice on all persons who, before the transfer, had a known or recorded substantial property interest in the property. The notice must contain the following information:

(1) The fact of the transfer and the purchase price paid.

(2) The order in which the proceeds of the sale are to be applied as described in subsection (l).

(3) Instructions for submitting a claim.

(4) The date by which a claim must be submitted, which may not be less than ninety (90) days after the date the notice is served.

(5) If the receiver takes reasonable steps but is unable to locate a person entitled to notice under this subsection, the receiver may serve the notice by publication. Any proceeds from the sale remaining after all claims have been paid shall be deposited in the unsafe building fund or a fund designated by the local ordinance.

(l) The proceeds of the sale shall be applied in the following order:

(1) Current year taxes of not to exceed two thousand five hundred dollars (\$2,500).

(2) The receiver's expenses, including administrative expenses, and costs of sale.

(3) Any additional current year taxes in addition to the limit



set in subdivision (1), delinquent taxes, and penalties, unpaid fees and fines issued by the enforcement authority, and special assessment accrued on the property.

(4) Any liens on the property in their order of priority.

(5) Any remaining money shall be paid to the divested owner.

(m) The issuing authority of the special assessments may choose to waive the special assessments and not collect them.

(n) A deed executed under this section vests in the grantee an estate in fee simple absolute, free and clear of all liens and encumbrances created or suffered before or after the sale except those liens granted priority under federal law and the lien of the state or a political subdivision for taxes and special assessments that accrue after the sale. However, subject to subsection (o), the estate is subject to the following:

(1) All easements, covenants, declarations, and other deed restrictions shown by public records.

(2) Laws, ordinances, and regulations concerning governmental police powers, including zoning, building, land use, improvements on the land, land division, and environmental protection.

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

(o) A deed executed under this section:

(1) does not operate to extinguish an easement recorded before the date of the sale in the office of the recorder of the county in which the real property is located, regardless of whether the easement was taxed separately from the real estate; and

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

SECTION 49. IC 36-7-9-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 26. (a) The enforcement authority shall record in the office of the county recorder orders issued under section 5(a)(6), 5(a)(7), ~~or~~ 6(a), ~~or~~ 7.5 of this chapter. If the enforcement authority records an order issued under section 5(a)(6), 5(a)(7), ~~or~~ 6(a), ~~or~~ 7.5 of this chapter, statements of rescission issued under section 6(b) of this chapter, statements that public bids are to be let under section 11 of this chapter, and records of action in which the order is affirmed, modified, or rescinded taken by the hearing authority under section 7 of this chapter shall be recorded. The recorder shall charge the fee required under IC 36-2-7-10 for



recording these items.

(b) A person who takes an interest in unsafe premises that are the subject of a recorded order takes that interest, whether or not a hearing has been held, subject to the terms of the order and other documents recorded under subsection (a) and in such a manner that all of the requirements of sections 10, 11, and 17 through 22 of this chapter relating to the issuance of orders, service of orders and affirmation of orders are considered satisfied. If a hearing has been held, the interest is taken subject to the terms of the order as modified at the hearing, in other documents recorded under subsection (a), and in such a manner that all of the requirements of sections 10, 11, and 17 through 22 of this chapter relating to the issuance of orders, service of orders, and modification of orders at hearing are considered satisfied.

(c) A person who takes an interest in unsafe premises that are the subject of a recorded statement that public bids are to be let takes the interest subject to the terms of the statement and in such a manner that the notice of the statement required by section 11 of this chapter is considered given to the person.

SECTION 50. IC 36-7-37 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]:

Chapter 37. Determination of Abandoned Property

Sec. 1. (a) Except as provided in subsections (b) and (c), as an alternative to seeking a determination of abandonment under any other statute:

- (1) the executive of a county, city, or town that has jurisdiction in the location of a property may petition a court for a determination that the property is abandoned; or**
- (2) an enforcement authority, as defined by IC 36-7-9-2, may seek a determination from a hearing authority under IC 36-7-9. The hearing authority may make a determination of abandonment using the standards set forth in IC 32-30-10.6-5 after notice to the owner and a hearing under IC 36-7-9-7.**

(b) If a person gives notice to the executive of the county, city, or town that has jurisdiction in the location of the property that the person is an owner of record for the property, all proceedings under this chapter are terminated. An owner of the property may give notice in person, by telephone, by electronic mail, or by United States mail.

(c) This chapter does not apply to a property covered by an installment payment plan under IC 6-1.1-10-16.



Sec. 2. A petition filed with the court under this chapter or an order by an enforcement authority under IC 36-7-9-7 with respect to property for which a determination of abandonment is being sought under this chapter must do all the following:

- (1) Include a statement of the jurisdiction of the county, city, or town in the location of the property.**
- (2) Allege that the property is abandoned.**
- (3) Include evidence that one (1) or more of the conditions set forth in IC 32-30-10.6-5(a), which constitute prima facie evidence, apply.**
- (4) Include a statement that if the property is determined to be abandoned and any property taxes are delinquent, the property may be sold by the county at tax sale and the owner will have no right of redemption with respect to the property after the sale.**

Sec. 3. A petition under this section or an order by an enforcement authority under IC 36-7-9-7 with respect to property for which a determination of abandonment is being sought under this chapter shall be served on:

- (1) any person with a substantial property interest of public record in the tract of real property; and**
- (2) any other appropriate party;**

in the manner prescribed by the Indiana Rules of Trial Procedure in the case of a petition or in the manner prescribed by IC 36-7-9-7 in the case of an order by an enforcement authority.

Sec. 4. Upon receiving a request for a determination of abandonment from an enforcement authority, or an executive of a county, city, or town through a petition or motion filed with the court and served on the required parties in accordance with this chapter, or if an enforcement authority requests an abandonment determination from the hearing authority and has served the request as provided in IC 36-7-9, the court or hearing authority shall issue an order to show cause as to why the property should not be found to be abandoned and directing the petitioner, the owner, and any other person or party the court or hearing authority considers appropriate to appear before the court or hearing authority on a date and time specified in the order under subdivision (1). The court's or hearing authority's order under this section must do the following:

- (1) Direct the parties subject to the order to appear before the court or hearing authority on a date and time specified by the court or hearing authority. The date specified under this**



subdivision must not be:

(A) earlier than fifteen (15) days; or

(B) later than twenty-five (25) days;

after the date of the court's or hearing authority's order under this section.

(2) Notify the parties subject to the order that any party ordered to appear:

(A) may present evidence or objections on the issue of abandonment to the court or hearing authority:

(i) in writing before the appearance date specified by the court or hearing authority under subdivision (1); or

(ii) in writing or by oral testimony on the date and at the time specified by the court or hearing authority under subdivision (1);

in the manner specified by the court or hearing authority; and

(B) has the right to be represented by an attorney when appearing before the court or hearing authority.

(3) Notify the parties subject to the order that if a party fails to:

(A) submit written evidence or objections to the court or hearing authority before the appearance date specified by the court or hearing authority under subdivision (1); or

(B) appear before the court or hearing authority on the date and at the time specified by the court or hearing authority under subdivision (1);

the party's failure to submit evidence or objections or to appear before the court or hearing authority will result in a finding of abandonment by the court or hearing authority.

Sec. 5. A party subject to an order issued by the court or hearing authority under this chapter has the following rights, as described in the court's or hearing authority's order under section 4 of this chapter:

(1) The right to present evidence or objections on the issue of abandonment to the court or hearing authority:

(A) in writing before the appearance date specified in the court's or hearing authority's order under section 4(1) of this chapter; or

(B) in writing or by oral testimony on the date and at the time specified in the court's or hearing authority's order under section 4(1) of this chapter;

in the manner specified by the court or hearing authority.



(2) The right to be represented by an attorney when appearing before the court or hearing authority.

Sec. 6. (a) This section applies to:

(1) a petition by the executive of a county, city, or town for a court order of abandonment; and

(2) an order by an enforcement authority under IC 36-7-9-7.

(b) Instead of providing notice at least one hundred twenty (120) days before the date of a certification under IC 6-1.1-24-1.5, the executive of the county, city, or town that is filing the petition or the enforcement authority that issued the order under IC 36-7-9-7 may provide the notice referred to in IC 6-1.1-24-2.3 at least one hundred twenty (120) days before the petition is filed under this chapter or the order is sent under IC 36-7-9-7.

(c) A court order or hearing authority determination of abandonment under this chapter authorizes the sale of the property and transfer of the deed of the property under IC 6-1.1-24.

SECTION 51. An emergency is declared for this act.



President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Governor of the State of Indiana

Date: _____ Time: _____

SEA 415 — Concur

