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**REVENUE
(35 ILCS 200/) Property Tax Code.**

(35 ILCS 200/Art. 21 Div. 6 heading)
Division 6. Indemnity fund; sales in error

(35 ILCS 200/21-295)

Sec. 21-295. Creation of indemnity fund.

(a) In counties of less than 3,000,000 inhabitants, each person purchasing any property at a sale under this Code shall pay to the County Collector, prior to the issuance of any certificate of purchase, an indemnity fee set by the county collector of not more than \$20 for each item purchased. A like sum shall be paid for each year that all or a portion of subsequent taxes are paid by the tax purchaser and posted to the tax judgment, sale, redemption and forfeiture record where the underlying certificate of purchase is recorded.

(a-5) In counties of 3,000,000 or more inhabitants, each person purchasing property at a sale under this Code shall pay to the County Collector a nonrefundable fee of \$80 for each item purchased plus an additional sum equal to 5% of the taxes, interest, and penalties paid under Section 21-240. In these counties, the certificate holder shall also pay to the County Collector a fee of \$80 for each year that all or a portion of subsequent taxes are paid by the tax purchaser and posted to the tax judgment, sale, redemption, and forfeiture record. The changes to this subsection made by this amendatory Act of the 91st General Assembly are not a new enactment, but declaratory of existing law.

(b) The amount paid prior to issuance of the certificate of purchase pursuant to subsection (a) or (a-5) shall be included in the purchase price of the property in the certificate of purchase and all amounts paid under this Section shall be included in the amount required to redeem under Section 21-355, except for the nonrefundable \$80 fee for each item purchased at the tax sale as provided in this Section. Except as otherwise provided in subsection (b) of Section 21-300, all money received under subsection (a) or (a-5) shall be paid by the Collector to the County Treasurer of the County in which the land is situated, for the purpose of an indemnity fund. The County Treasurer, as trustee of that fund, shall invest all of that fund, principal and income, in his or her hands from time to time, if not immediately required for payments of indemnities under subsection (a) of Section 21-305, in investments permitted by the Illinois State Board of Investment under Article 22A of the Illinois Pension Code. The county collector shall report annually to the county clerk on the condition and income of the fund. The indemnity fund shall be held to satisfy judgments

obtained against the County Treasurer, as trustee of the fund. No payment shall be made from the fund, except upon a judgment of the court which ordered the issuance of a tax deed.

(Source: P.A. 100-1070, eff. 1-1-19; 101-659, eff. 3-23-21.)

(35 ILCS 200/21-300)

Sec. 21-300. Amount to be retained in indemnity fund.

(a) The county board in each county shall determine the amount of the fund to be maintained in that county, which amount shall not be less than 0.03% of the total assessed valuation, as equalized by the Department, of property within the County, or \$50,000, whichever is greater, and shall not be greater than \$1,000,000 in counties with less than 3,000,000 inhabitants, and not greater than \$2,000,000 in counties with 3,000,000 or more inhabitants. Any moneys accumulated by the County Treasurer in excess of the amount so established, as trustee of the fund, shall be paid by him or her annually to the general fund of the County.

(b) In counties in which a Tort Liability Fund is established, all sums of money received under subsection (a) of Section 21-295 may be deposited in the general fund of the county for general county governmental purposes, if the county board provides by ordinance that the indemnity required by this Section shall be provided by the Tort Liability Fund.

(Source: P.A. 86-1028; 86-1431; 88-455.)

(35 ILCS 200/21-305)

Sec. 21-305. Payments from Indemnity Fund.

(a) Any owner of property sold under any provision of this Code who sustains loss or damage by reason of the issuance of a tax deed under Section 21-445 or 22-40 and who is barred or is in any way precluded from bringing an action for the recovery of the property shall have the right to indemnity for the loss or damage sustained, limited as follows:

(1) An owner who resided on property that contained 4 or less dwelling units on the last day of the period of redemption and who is equitably entitled to compensation for the loss or damage sustained has the right to indemnity. An equitable indemnity award shall be limited to the fair cash value of the property as of the date the tax deed was issued less any mortgages or liens on the property, and the award will not exceed \$99,000. The Court shall liberally construe this equitable entitlement standard to provide compensation wherever, in the discretion of the Court, the equities warrant the action.

An owner of a property that contained 4 or less dwelling units who requests an award in excess of \$99,000 must prove that the loss of his or her property was not attributable to his or her own fault or negligence before an award in excess of \$99,000 will be granted.

(2) An owner who sustains the loss or damage of any property occasioned by reason of the issuance of a tax deed, without fault or negligence of his or her own, has the right to indemnity limited to the fair cash value of the property less any mortgages or liens on the property. In determining the existence of fault or negligence, the court shall consider whether the owner exercised ordinary reasonable diligence under all of the relevant circumstances.

(3) In determining the fair cash value of property

less any mortgages or liens on the property, the fair cash value shall be reduced by the principal amount of all taxes paid by the tax purchaser or his or her assignee before the issuance of the tax deed.

(4) If an award made under paragraph (1) or (2) is subject to a reduction by the amount of an outstanding mortgage or lien on the property, other than the principal amount of all taxes paid by the tax purchaser or his or her assignee before the issuance of the tax deed and the petitioner would be personally liable to the mortgagee or lienholder for all or part of that reduction amount, the court shall order an additional indemnity award to be paid directly to the mortgagee or lienholder sufficient to discharge the petitioner's personal liability. The court, in its discretion, may order the joinder of the mortgagee or lienholder as an additional party to the indemnity action.

(b) Indemnity fund; subrogation.

(1) Any person claiming indemnity hereunder shall petition the Court which ordered the tax deed to issue, shall name the County Treasurer, as Trustee of the indemnity fund, as defendant to the petition, and shall ask that judgment be entered against the County Treasurer, as Trustee, in the amount of the indemnity sought. The provisions of the Civil Practice Law shall apply to proceedings under the petition, except that neither the petitioner nor County Treasurer shall be entitled to trial by jury on the issues presented in the petition. The Court shall liberally construe this Section to provide compensation wherever in the discretion of the Court the equities warrant such action.

(2) The County Treasurer, as Trustee of the indemnity fund, shall be subrogated to all parties in whose favor judgment may be rendered against him or her, and by third party complaint may bring in as a defendant any person, other than the tax deed grantee and its successors in title, not a party to the action who is or may be liable to him or her, as subrogee, for all or part of the petitioner's claim against him or her.

(c) Any contract involving the proceeds of a judgment for indemnity under this Section, between the tax deed grantee or its successors in title and the indemnity petitioner or his or her successors, shall be in writing. In any action brought under Section 21-305, the Collector shall be entitled to discovery regarding, but not limited to, the following:

(1) the identity of all persons beneficially interested in the contract, directly or indirectly, including at least the following information: the names and addresses of any natural persons; the place of incorporation of any corporation and the names and addresses of its shareholders unless it is publicly held; the names and addresses of all general and limited partners of any partnership; the names and addresses of all persons having an ownership interest in any entity doing business under an assumed name, and the county in which the assumed business name is registered; and the nature and extent of the interest in the contract of each person identified;

(2) the time period during which the contract was negotiated and agreed upon, from the date of the first direct or indirect contact between any of the contracting parties to the date of its execution;

(3) the name and address of each natural person who took part in negotiating the contract, and the identity and relationship of the party that the person represented in the negotiations; and

(4) the existence of an agreement for payment of attorney's fees by or on behalf of each party.

Any information disclosed during discovery may be subject to protective order as deemed appropriate by the court. The terms of the contract shall not be used as evidence of value.

(d) A petition of indemnity under this Section must be filed within 10 years after the date the tax deed was issued.

(Source: P.A. 97-557, eff. 7-1-12.)

(35 ILCS 200/21-306)

Sec. 21-306. Indemnity fund fraud.

(a) A person commits the offense of indemnity fund fraud when that person knowingly:

(1) offers or agrees to become a party to, or to acquire an interest in, a contract involving the proceeds of a judgment for indemnity under Section 21-305 before the end of the period of redemption from the tax sale to which the judgment relates;

(2) fraudulently induces a party to forego bringing an action for the recovery of the property;

(3) makes a deceptive misrepresentation during the course of negotiating an agreement under subsection (c) of Section 21-305; or

(4) conspires to violate any of the provisions of this subsection.

(b) Commission of any one act described in subsection (a) is a Class A misdemeanor. Commission of more than one act described in subsection (a) during a single course of conduct is a Class 4 felony. A second or subsequent conviction for violation of any portion of this Section is a Class 4 felony.

(c) The State's Attorney of the county in which a judgment for indemnity under Section 21-305 is entered may bring a civil action in the name of the People of the State of Illinois against a person who violates paragraph (1), (2), or (3) of subsection (a). Upon a finding of liability in the action the court shall enter judgment in favor of the People in a sum equal to three times the amount of the judgment for indemnity, together with costs of the action and reasonable attorney's fees. The proceeds of any judgment under this subsection shall be paid into the general fund of the county.

(Source: P.A. 91-564, eff. 8-14-99.)

(35 ILCS 200/21-310)

(Text of Section before amendment by P.A. 103-555)

Sec. 21-310. Sales in error.

(a) When, upon application of the county collector, the owner of the certificate of purchase, or a municipality which owns or has owned the property ordered sold, it appears to the satisfaction of the court which ordered the property sold that any of the following subsections are applicable, the court shall declare the sale to be a sale in error:

(1) the property was not subject to taxation, or all or any part of the lien of taxes sold has become null and void pursuant to Section 21-95 or unenforceable pursuant to subsection (c) of Section 18-250 or subsection (b) of Section 22-40,

(2) the taxes or special assessments had been paid prior to the sale of the property,

(3) there is a double assessment,

(4) the description is void for uncertainty,

(5) the assessor, chief county assessment officer,

board of review, board of appeals, or other county official has made an error (other than an error of judgment as to the value of any property),

(5.5) the owner of the homestead property had tendered timely and full payment to the county collector that the owner reasonably believed was due and owing on the homestead property, and the county collector did not apply the payment to the homestead property; provided that this provision applies only to homeowners, not their agents or third-party payors,

(6) prior to the tax sale a voluntary or involuntary petition has been filed by or against the legal or beneficial owner of the property requesting relief under the provisions of 11 U.S.C. Chapter 7, 11, 12, or 13,

(7) the property is owned by the United States, the State of Illinois, a municipality, or a taxing district, or

(8) the owner of the property is a reservist or guardsperson who is granted an extension of his or her due date under Sections 21-15, 21-20, and 21-25 of this Act.

(b) When, upon application of the owner of the certificate of purchase only, it appears to the satisfaction of the court which ordered the property sold that any of the following subsections are applicable, the court shall declare the sale to be a sale in error:

(1) A voluntary or involuntary petition under the provisions of 11 U.S.C. Chapter 7, 11, 12, or 13 has been filed subsequent to the tax sale and prior to the issuance of the tax deed.

(2) The improvements upon the property sold have been substantially destroyed or rendered uninhabitable or otherwise unfit for occupancy subsequent to the tax sale and prior to the issuance of the tax deed; however, if the court declares a sale in error under this paragraph (2), the court may order the holder of the certificate of purchase to assign the certificate to the county collector if requested by the county collector. The county collector may, upon request of the county, as trustee, or upon request of a taxing district having an interest in the taxes sold, further assign any certificate of purchase received pursuant to this paragraph (2) to the county acting as trustee for taxing districts pursuant to Section 21-90 of this Code or to the taxing district having an interest in the taxes sold.

(3) There is an interest held by the United States in the property sold which could not be extinguished by the tax deed.

(4) The real property contains a hazardous substance, hazardous waste, or underground storage tank that would require cleanup or other removal under any federal, State, or local law, ordinance, or regulation, only if the tax purchaser purchased the property without actual knowledge of the hazardous substance, hazardous waste, or underground storage tank. This paragraph (4) applies only if the owner of the certificate of purchase has made application for a sale in error at any time before the issuance of a tax deed. If the court declares a sale in error under this paragraph (4), the court may order the holder of the certificate of purchase to assign the certificate to the county collector if requested by the county collector. The county collector may, upon request of the county, as trustee, or upon request of a taxing district having an interest in the taxes sold, further assign any certificate of purchase received pursuant to this paragraph (4) to the county acting as trustee for taxing districts pursuant to Section 21-90 of this Code or to the taxing district having an interest in the taxes sold.

Whenever a court declares a sale in error under this subsection (b), the court shall promptly notify the county collector in writing. Every such declaration pursuant to any provision of this subsection (b) shall be made within the proceeding in which the tax sale was authorized.

(c) When the county collector discovers, prior to the expiration of the period of redemption, that a tax sale should not have occurred for one or more of the reasons set forth in subdivision (a)(1), (a)(2), (a)(6), or (a)(7) of this Section, the county collector shall notify the last known owner of the certificate of purchase by certified and regular mail, or other means reasonably calculated to provide actual notice, that the county collector intends to declare an administrative sale in error and of the reasons therefor, including documentation sufficient to establish the reason why the sale should not have occurred. The owner of the certificate of purchase may object in writing within 28 days after the date of the mailing by the county collector. If an objection is filed, the county collector shall not administratively declare a sale in error, but may apply to the circuit court for a sale in error as provided in subsection (a) of this Section. Thirty days following the receipt of notice by the last known owner of the certificate of purchase, or within a reasonable time thereafter, the county collector shall make a written declaration, based upon clear and convincing evidence, that the taxes were sold in error and shall deliver a copy thereof to the county clerk within 30 days after the date the declaration is made for entry in the tax judgment, sale, redemption, and forfeiture record pursuant to subsection (d) of this Section. The county collector shall promptly notify the last known owner of the certificate of purchase of the declaration by regular mail and shall promptly pay the amount of the tax sale, together with interest and costs as provided in Section 21-315, upon surrender of the original certificate of purchase.

(d) If a sale is declared to be a sale in error, the county clerk shall make entry in the tax judgment, sale, redemption and forfeiture record, that the property was erroneously sold, and the county collector shall, on demand of the owner of the certificate of purchase, refund the amount paid, except for the nonrefundable \$80 fee paid, pursuant to Section 21-295, for each item purchased at the tax sale, pay any interest and costs as may be ordered under Sections 21-315 through 21-335, and cancel the certificate so far as it relates to the property. The county collector shall deduct from the accounts of the appropriate taxing bodies their pro rata amounts paid. Alternatively, for sales in error declared under subsection (b)(2) or (b)(4), the county collector may request the circuit court to direct the county clerk to record any assignment of the tax certificate to or from the county collector without charging a fee for the assignment. The owner of the certificate of purchase shall receive all statutory refunds and payments. The county collector shall deduct costs and payments in the same manner as if a sale in error had occurred.

(Source: P.A. 100-890, eff. 1-1-19; 101-379, eff. 1-1-20; 101-659, eff. 3-23-21.)

(Text of Section after amendment by P.A. 103-555)

Sec. 21-310. Sales in error.

(a) When, upon application of the county collector, the owner of the certificate of purchase, the holder of a 5% lien issued pursuant to Section 21-240, or a municipality which owns or has owned the property ordered sold, it appears to the satisfaction of the court which ordered the property sold that any of the following subsections are applicable, the court shall

declare the sale to be a sale in error:

(1) the property was not subject to taxation, or all or any part of the lien of taxes sold has become null and void pursuant to Section 21-95 or unenforceable pursuant to subsection (c) of Section 18-250 or subsection (b) of Section 22-40;

(2) the taxes or special assessments had been paid prior to the sale of the property;

(3) there is a double assessment;

(4) the description is void for uncertainty;

(5) the assessor, chief county assessment officer, board of review, board of appeals, or other county official has made an error material to the tax certificate at issue (other than an error of judgment as to the value of any property), provided, however, that a sale in error may not be declared upon application of the owner of the certificate of purchase under this paragraph (5) if the county collector provided notice in accordance with Section 21-118 that the same property received a previous sale in error on the same facts;

(5.5) the owner of the homestead property had tendered timely and full payment to the county collector that the owner reasonably believed was due and owing on the homestead property, and the county collector did not apply the payment to the homestead property; provided that this provision applies only to homeowners, not their agents or third-party payors;

(6) a voluntary or involuntary petition was filed by or against the legal or beneficial owner of the property requesting relief under the provisions of 11 U.S.C. Chapter 7, 11, 12, or 13, and the bankruptcy case was open on the date the collector's application for judgment was filed pursuant to Section 21-150 or 21-155 or the date of the tax sale;

(7) the property is owned by the United States, the State of Illinois, a municipality, or a taxing district; or

(8) the owner of the property is a reservist or guardsperson who is granted an extension of his or her due date under Sections 21-15, 21-20, and 21-25 of this Act.

(b) When, upon application of the owner of the certificate of purchase only, it appears to the satisfaction of the court which ordered the property sold that any of the following subsections are applicable, the court shall declare the sale to be a sale in error:

(1) A voluntary or involuntary petition under the provisions of 11 U.S.C. Chapter 7, 11, 12, or 13 has been filed subsequent to the tax sale and prior to the issuance of the tax deed, and the bankruptcy case was open on the date the petition for a sale in error was filed.

(2) The improvements upon the property sold have been substantially destroyed subsequent to the tax sale and prior to the issuance of the tax deed; however, if the court declares a sale in error under this paragraph (2), the court may order the holder of the certificate of purchase to assign the certificate to the county collector if requested by the county collector. The county collector may, upon request of the county, as trustee, or upon request of a taxing district having an interest in the taxes sold, further assign any certificate of purchase received pursuant to this paragraph (2) to the county acting as trustee for taxing districts pursuant to Section 21-90 of this Code or to the taxing district having an interest in the taxes sold.

(3) There is an interest held by the United States in

the property sold which could not be extinguished by the tax deed.

(4) The real property contains a hazardous substance, hazardous waste, or underground storage tank that would require cleanup or other removal under any federal, State, or local law, ordinance, or regulation, only if the tax purchaser purchased the property without actual knowledge of the hazardous substance, hazardous waste, or underground storage tank. The presence of a grease trap on the property is not grounds for a sale in error under this paragraph (4). This paragraph (4) applies only if the owner of the certificate of purchase has made application for a sale in error at any time before the issuance of a tax deed. If the court declares a sale in error under this paragraph (4), the court may order the holder of the certificate of purchase to assign the certificate to the county collector if requested by the county collector. The county collector may, upon request of the county, as trustee, or upon request of a taxing district having an interest in the taxes sold, further assign any certificate of purchase received pursuant to this paragraph (4) to the county acting as trustee for taxing districts pursuant to Section 21-90 of this Code or to the taxing district having an interest in the taxes sold.

Whenever a court declares a sale in error under this subsection (b), the State's attorney shall promptly notify the county collector in writing.

(c) When the county collector discovers, prior to the expiration of the period of redemption, that a tax sale should not have occurred for one or more of the reasons set forth in subdivision (a)(1), (a)(2), (a)(3), (a)(4), (a)(5.5), (a)(6), (a)(7), or (a)(8) of this Section, the county collector shall notify the last known owner of the tax certificate by certified and regular mail, or other means reasonably calculated to provide actual notice, that the county collector intends to declare an administrative sale in error and of the reasons therefor, including documentation sufficient to establish the reason why the sale should not have occurred. The owner of the certificate of purchase may object in writing within 28 days after the date of the mailing by the county collector. If an objection is filed, the county collector shall not administratively declare a sale in error, but may apply to the circuit court for a sale in error as provided in subsection (a) of this Section. Thirty days following the receipt of notice by the last known owner of the certificate of purchase, or within a reasonable time thereafter, the county collector shall make a written declaration, based upon clear and convincing evidence, that the taxes were sold in error and shall deliver a copy thereof to the county clerk within 30 days after the date the declaration is made for entry in the tax judgment, sale, redemption, and forfeiture record pursuant to subsection (d) of this Section. The county collector shall promptly notify the last known owner of the certificate of purchase of the declaration by regular mail and shall, except if the certificate was issued pursuant to a no-cash bid, promptly pay the amount of the tax sale, together with interest and costs as provided in Section 21-315, upon surrender of the original certificate of purchase.

(d) If a sale is declared to be a sale in error for any reason set forth in Section 22-35, Section 22-50, or subdivision (a)(5), (b)(2), or (b)(4) of this Section, the tax certificate shall be forfeited to the county as trustee pursuant to Section 21-90 of this Code, unless the county collector informs the county and the county clerk in writing that the tax certificate shall not be forfeited to the county as trustee. The county clerk shall make entry in the tax judgment, sale, redemption and

forfeiture record, that the property was erroneously sold and that the tax certificate is forfeited to the county pursuant to Section 21-90, and the county collector shall, on demand of the owner of the certificate of purchase, refund the amount paid, except for the nonrefundable \$80 fee paid, pursuant to Section 21-295, for each item purchased at the tax sale, pay any interest and costs as may be ordered under Sections 21-315 through 21-335, and cancel the certificate so far as it relates to the property. The county collector shall deduct from the accounts of the appropriate taxing bodies their pro rata amounts paid.

(e) Whenever the collector declares an administrative sale in error under this Section, the collector must send a copy of the declaration of the administrative sale in error, and documentation sufficient to establish the reason why the sale should not have occurred, to the government entity responsible for maintaining assessment books and property record cards for the subject property. That entity must review the documentation sent by the collector, make a determination as to whether an update to the assessment books or property record cards is necessary to prevent a recurrence of the sale in error, and update the assessment books or property record cards as appropriate.

(f) Whenever a court declares a sale in error under this Section, the State's attorney must send a copy of the application and order declaring the sale in error to the county collector, the county clerk, and the government entity responsible for maintaining the assessment books and property record cards for the subject property. The collector, the county clerk, and the other government entity must each review the application and order sent by the State's attorney and make a determination as to whether an update to its respective records is necessary to prevent a recurrence of the sale in error, and update its records as appropriate.

The changes made to this Section by this amendatory Act of the 103rd General Assembly apply to matters concerning tax certificates issued on or after the effective date of this amendatory Act of the 103rd General Assembly.

(Source: P.A. 103-555, eff. 1-1-24.)

(35 ILCS 200/21-315)

(Text of Section before amendment by P.A. 103-555)

Sec. 21-315. Refund of costs; interest on refund.

(a) If a sale in error under Section 21-310, 22-35, or 22-50 is declared, the amount refunded shall also include all costs paid by the owner of the certificate of purchase or his or her assignor which were posted to the tax judgment, sale, redemption and forfeiture record.

(b) In those cases which arise solely under grounds set forth in Section 21-310, the amount refunded shall also include interest on the refund of the amount paid for the certificate of purchase, except as otherwise provided in this Section. Interest shall be awarded and paid to the tax purchaser at the rate of 1% per month from the date of sale to the date of payment, or in an amount equivalent to the penalty interest which would be recovered on a redemption at the time of payment pursuant to the order for sale in error, whichever is less. Interest shall not be paid when the sale in error is made pursuant to paragraph (2) or (4) of subsection (b) of Section 21-310, Section 22-35, Section 22-50, any ground not enumerated in Section 21-310, or in any other case where the court determines that the tax purchaser had actual knowledge prior to the sale of the grounds on which the sale is declared to be erroneous.

(c) When the county collector files a petition for sale in error under Section 21-310 and mails a notice thereof by certified or registered mail to the last known owner of the certificate of purchase, any interest otherwise payable under this Section shall cease to accrue as of the date the petition is filed, unless the tax purchaser agrees to an order for sale in error upon the presentation of the petition to the court. Notices under this subsection may be mailed to the last known owner of the certificate of purchase. When the owner of the certificate of purchase contests the collector's petition solely to determine whether the grounds for sale in error are such as to support a claim for interest, the court may direct that the principal amount of the refund be paid to the owner of the certificate of purchase forthwith. If the court thereafter determines that a claim for interest lies under this Section, it shall award such interest from the date of sale to the date the principal amount was paid. If the owner of the certificate of purchase files an objection to the county collector's intention to declare an administrative sale in error, as provided under subsection (c) of Section 21-310, and, thereafter, the county collector elects to apply to the circuit court for a sale in error under subsection (a) of Section 21-310, then, if the circuit court grants the county collector's application for a sale in error, the court may not award interest to the owner of the certificate of purchase for the period after the mailing date of the county collector's notice of intention to declare an administrative sale in error.

(Source: P.A. 94-662, eff. 1-1-06.)

(Text of Section after amendment by P.A. 103-555)

Sec. 21-315. Refund of costs; interest on refund.

(a) If a sale in error under Section 21-310, 22-35, or 22-50 is declared, the amount refunded shall also include all costs paid by the owner of the certificate of purchase or his or her assignor which were posted to the tax judgment, sale, redemption and forfeiture record, except that if the sale in error is declared under Section 22-50, in counties of 3,000,000 or more inhabitants the amount refunded shall not include the \$100 fee paid in accordance with Section 21-330.

(b) In those cases which arise solely under grounds set forth in Section 21-310, the amount refunded shall also include interest on the refund of the amount paid for the certificate of purchase, except as otherwise provided in this Section. Interest shall be awarded and paid to the tax purchaser at the rate of 1% per month from the date of sale to the date of payment, or in an amount equivalent to the penalty interest which would be recovered on a redemption at the time of payment pursuant to the order for sale in error, whichever is less. Interest shall not be paid when the sale in error is made pursuant to Section 22-35, Section 22-50, subdivision (a)(5), (b)(1), (b)(2), or (b)(4) of Section 21-310, any ground not enumerated in Section 21-310, or in any other case where the court determines that the tax purchaser had actual knowledge prior to the sale of the grounds on which the sale is declared to be erroneous.

(c) When the county collector files a petition for sale in error under Section 21-310 and mails a notice thereof by certified or registered mail to the last known owner of the certificate of purchase, any interest otherwise payable under this Section shall cease to accrue as of the date the petition is filed, unless the tax purchaser agrees to an order for sale in error upon the presentation of the petition to the court. Notices under this subsection may be mailed to the last known owner of the certificate of purchase. When the owner of the certificate of purchase contests the collector's petition solely

to determine whether the grounds for sale in error are such as to support a claim for interest, the court may direct that the principal amount of the refund be paid to the owner of the certificate of purchase forthwith. If the court thereafter determines that a claim for interest lies under this Section, it shall award such interest from the date of sale to the date the principal amount was paid. If the owner of the certificate of purchase files an objection to the county collector's intention to declare an administrative sale in error, as provided under subsection (c) of Section 21-310, and, thereafter, the county collector elects to apply to the circuit court for a sale in error under subsection (a) of Section 21-310, then, if the circuit court grants the county collector's application for a sale in error, the court may not award interest to the owner of the certificate of purchase for the period after the mailing date of the county collector's notice of intention to declare an administrative sale in error.

(Source: P.A. 103-555, eff. 1-1-24.)

(35 ILCS 200/21-320)

Sec. 21-320. Refund of other taxes paid by holder of certificate of purchase. If a sale in error under Section 21-310, 22-35, or 22-50 is declared, the amount refunded shall also include other taxes paid or redeemed by the owner of the certificate of purchase or his or her assignor subsequent to the tax sale, together with interest on those other taxes under the same terms as interest is otherwise payable under Section 21-315. The interest under this subsection shall be calculated at the rate of 1% per month from the date the other taxes were paid and not from the date of sale. The collector shall take credit in settlement of his or her accounts for the refund of the other taxes as in other cases of sale in error under Section 21-310.

(Source: P.A. 92-224, eff. 1-1-02; 92-729, eff. 7-25-02.)

(35 ILCS 200/21-325)

Sec. 21-325. Payment of interest - Counties of 3,000,000 or more. In counties with 3,000,000 or more inhabitants, all payments of interest or costs under Sections 21-315 and 21-320 and subsection (c) of Section 21-310 shall be paid as provided in Sections 21-330, 21-335 and 21-340. In all other counties, the county treasurer may determine in his or her discretion whether payment of interest and costs shall be made as provided in Sections 21-330, 21-335 and 21-340. In the other counties, where the treasurer determines not to make payment as provided in those subsections, the treasurer shall pay any interest or costs under this Section pro rata from those accounts where the principal refund of the tax sale purchase price under Section 21-310 is taken.

(Source: P.A. 92-729, eff. 7-25-02.)

(35 ILCS 200/21-330)

(Text of Section before amendment by P.A. 103-555)

Sec. 21-330. Fund for payment of interest. In all counties of less than 3,000,000 inhabitants, the county board, by resolution, may impose a fee for payment of interest and costs. Each person purchasing any property at a sale under this Code shall pay to the county collector, prior to the issuance of any certificate of purchase, a fee of up to \$60 for each item purchased. Each person purchasing any property at a sale held under this Code in a county with 3,000,000 or more inhabitants

shall pay to the county collector, prior to the issuance of any certificate of purchase, a fee of \$100 for each item purchased. That amount shall be included in the price paid for the certificate of purchase and the amount required to redeem under Section 21-355.

All sums of money received under this Section shall be paid by the collector to the county treasurer of the county in which the property is situated for deposit into a special fund. It shall be the duty of the county treasurer, as trustee of the fund, to invest the principal and income of the fund from time to time, if not immediately required for payments under this Section, in investments as are authorized by Sections 3-10009 and 3-11002 of the Counties Code. The fund shall be held to pay interest and costs by the county treasurer as trustee of the fund. No payment shall be made from the fund except by order of the court declaring a sale in error under Section 21-310, 22-35, or 22-50 or by declaration of the county collector under subsection (c) of Section 21-310. Any moneys accumulated in the fund by the county treasurer in excess of (i) \$100,000 in counties with 250,000 or less inhabitants or (ii) \$500,000 in counties with more than 250,000 inhabitants shall be paid each year prior to the commencement of the annual tax sale, first to satisfy any existing unpaid judgments entered pursuant to Section 21-295, and any funds remaining thereafter shall be paid to the general fund of the county.

(Source: P.A. 100-1070, eff. 1-1-19.)

(Text of Section after amendment by P.A. 103-555)

Sec. 21-330. Fund for payment of interest. In all counties of less than 3,000,000 inhabitants, the county board, by resolution, may impose a fee for payment of interest and costs. Each person purchasing any property at a sale under this Code shall pay to the county collector, prior to the issuance of any certificate of purchase, a fee of up to \$60 for each item purchased. Each person purchasing any property at a sale held under this Code in a county with 3,000,000 or more inhabitants shall pay to the county collector, prior to the issuance of any certificate of purchase, a fee of \$100 for each item purchased. That amount shall be included in the price paid for the certificate of purchase and the amount required to redeem under Section 21-355.

All sums of money received under this Section shall be paid by the collector to the county treasurer of the county in which the property is situated for deposit into a special fund. It shall be the duty of the county treasurer, as trustee of the fund, to invest the principal and income of the fund from time to time, if not immediately required for payments under this Section, in investments as are authorized by Sections 3-10009 and 3-11002 of the Counties Code. The fund shall be held to pay interest and costs by the county treasurer as trustee of the fund. No payment shall be made from the fund except by order of the court declaring a sale in error under Section 21-310, 22-35, or 22-50 or by declaration of the county collector under subsection (c) of Section 21-310. Payments under this Section are subject to the provisions of subsection (a) of Section 21-315 concerning sales in error declared under Section 22-50 in counties of 3,000,000 or more inhabitants. Any moneys accumulated in the fund by the county treasurer in excess of (i) \$100,000 in counties with 250,000 or less inhabitants or (ii) \$500,000 in counties with more than 250,000 inhabitants shall be paid each year prior to the commencement of the annual tax sale, first to satisfy any existing unpaid judgments entered pursuant to Section 21-295, and any funds remaining thereafter shall be paid to the general fund of the county.

(Source: P.A. 103-555, eff. 1-1-24.)

(35 ILCS 200/21-335)

Sec. 21-335. Claims for interest and costs. Any person claiming interest or costs under Sections 21-315 through 21-330 shall include the claim in his or her petition for sale in error under Section 21-310, 22-35, or 22-50. Any claim for interest or costs which is not included in the petition is waived. Interest or costs may be awarded, however, to the extent permitted by this Section upon a sale in error petition filed by the county collector or municipality or upon a declaration by the county collector pursuant to subsection (c) of Section 21-310, without requiring a separate filing by the claimant. Any refund of interest or costs upon the petition for sale in error or upon a declaration by the county collector pursuant to subsection (c) of Section 21-310 shall be paid by the county treasurer as trustee of the fund created by this Section. The fund shall be the sole source for payment and satisfaction of orders for interest or costs, except as otherwise provided in this subsection. If the court determines that the fund has been depleted and will not be restored in time to pay an award with reasonable promptness, the court may authorize the collector to pay the interest portion of the award pro rata from those accounts where the principal refund of the tax sale purchase price under Section 21-310 is taken.

(Source: P.A. 92-224, eff. 1-1-02; 92-729, eff. 7-25-02.)

(35 ILCS 200/21-340)

Sec. 21-340. Recovery of amount of tax or special assessment paid by purchaser at erroneous sale. In addition to all other remedies, when the purchaser or assignee of a certificate of purchase that has been declared an erroneous sale, has paid any tax or special assessment upon the property sold, which was not paid by the owner of the property and was not refunded to the tax purchaser or assignee by the county, the purchaser or assignee may recover from the owner the amount he or she paid, with 10% interest, as money paid for the owner's use.

(Source: P.A. 84-644; 88-455.)