TAX SALE

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Statute: 35 ILCS 200/21-190

In Illinois, a tax sale is where a county sells the delinquent property taxes (a lien) on a property to registered tax buyers to recover unpaid taxes for local taxing districts.

Key Aspects:

- Purpose: To ensure local government bodies receive the funds for which they levied taxes, even if the property owner has not paid their bill.
- What is Sold: Only the tax lien (the right to collect the unpaid taxes, plus interest and fees) is sold, not the physical property itself.
- Auction Process: Registered tax buyers bid on the interest rate a property owner will pay to redeem the lien. Bidding ranges from 0% to 9% for real estate taxes and 0% to 18% for mobile home taxes, with the lowest bid winning. The parcels not sold to registered tax buyers shall be forfeited to the county as trustee for the taxing district.

Click here for link to ICTA Resource Page

https://illinoistreasurers.org/index.php?module=content&PageID=146

Click here for information of tax sale fees
https://illinoistreasurers.org/kcfinder/upload/files/Tax%20Sale%20Fee%20Cheat%20Sheet.pdf

Tax Sale Steps:

1. Schedule the Tax Sale

    If using RAMS, please reach out to JEM for availability.

    If you are not using RAMS, please provide the date of your tax sale to JEM.

The two types of tax sales are as follows:

R.A.M.S.
The original R.A.M.S. automated tax sale uses a wired network of laptops running JEM's proprietary software. Registered tax buyers attend the sale in person and bid on one of the laptops in a closed network by clicking on their percentage bid. The parcels for sale are presented on the screen in the order of the tax sale. It takes about 6-8 seconds to sell each parcel.

R.A.M.S. 2

With the R.A.M.S. 2 system, on the day of the sale JEM will collect the bids for each registered buyer by having them bring a USB Drive to the delinquent tax sale with a file that contains their percentage bids for each parcel. Once all bids from all the registered tax buyers are loaded into the system, JEM will process the sale. Each parcel will be awarded to the lowest bid for a particular parcel. If there are multiple lowest bids, a random lowest bid is selected. The processing typically only takes a few minutes to complete.

2. Prior to Tax Sale
    a. Send JEM the delinquent lists(s), Real Estate and Mobile Home (if selling mobile homes.) The delinquent lists need to be in CSV or Excel format.
    b. JEM will provide an Audit Report. Click here for a sample audit report ☐ Examples of items that might show up on the audit report are as follows:
        - Do not sell parcel - we are about to take with tax deed
        - Do not sell parcel - we have added to current payment accounts
        - Do not sell mobile homes for which we already have an order for title
        - Find missing trustee subs that have not been applied to open trustee certificates. This may include NSFs that were paid when original subs were posted.
        - Find recent SIE forfeitures which occurred after the posting of sub taxes.

3. Tax Sale Day
    a. JEM will provide a flash drive for you to download the final export file(s) to conduct the sale. Use the same instructions for the delinquent list from above.
    b. If you use R.A.M.S. or R.A.M.S.2, JEM will provide after-tax sale reports, videos and import files. Click here for an example of tax sale reports. ☐
    c. If not using R.A.M.S. or R.A.M.S.2, please send the list of the parcels that were sold to the County Trustee.

4. Post Tax Sale
    a. If using R.A.M.S or R.A.M.S.2 , JEM staff will provide files to import the results of the tax sale.

b. If JEM is printing the tax sale certificates, you may need to send us a tax sale export file(s).

Additional Key Aspects:

- Redemption Period: After the tax sale, the original property owner has a specific period to "redeem" their taxes by paying the amount the tax buyer paid, plus any accrued interest and fees, to the County Clerk's office. The redemption period varies depending on the property classification.
- Loss of Ownership: If the property is not redeemed by the end of the specified period, the tax buyer can petition the Circuit Court for a tax deed to the property, which transfers ownership.