



# City of Aurora

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Brian W. Caputo, C.P.A.  
Director of Finance  
City Treasurer

February 20, 2008

RE: Changes to the Aurora City Code Pertaining to the Municipal Real Estate Transfer Tax (RETT)

Dear Sir or Madam:

Please be advised that, on October 23, 2007, the Aurora City Council approved Ordinance No. 007-113. Enclosed is a copy of the ordinance. The ordinance changes certain portions of the Aurora City Code pertaining to the municipal RETT. In general, the new provisions of the Aurora City Code are:

1. In a transaction involving a sheriff, judicial, or other deed arising from a judicial proceeding, the grantee or purchaser is liable for the tax unless the transaction is otherwise exempt from taxation. (A transaction involving a sheriff deed is exempt from taxation if the property concerned is deeded directly to the mortgage holder of record or a governmental agency. Sheriff sales to other parties are not exempt.)
2. The recordation of a deed pertaining to a property in the city is prohibited unless a tax stamp or a "no tax due" stamp is affixed to it.
3. A penalty is established for representing that a transaction is exempt from Aurora's RETT when it is not.
4. A penalty is established for advising others to characterize a transaction as exempt from Aurora's RETT when it is not.
5. A penalty is established for advising others to record a deed associated with an exempt transaction without a "no tax due" stamp.
6. The issuance of a transfer tax stamp is prohibited unless the RETT for previous conveyances with sheriff, judicial, or other deeds arising from judicial proceedings is paid.

If you have questions concerning this matter, please contact the city's Revenue & Collection Division at (630) 906-7414.

Sincerely,

Brian W. Caputo  
Director of Finance/City Treasurer

enclosure

CITY OF AURORA, ILLINOIS  
ORDINANCE NO. 007-113  
DATE OF PASSAGE October 23, 2007

AN ORDINANCE AMENDING CHAPTER 44, ARTICLE X  
SECTIONS 44-213 THROUGH 44-223  
"REAL ESTATE TRANSFER TAX"  
OF THE CODE OF ORDINANCES

WHEREAS, the City of Aurora has a population of more than 25,000 persons and is, therefore, a home rule unit under subsection (a) of Section 6 of Article VII of the Illinois Constitution of 1970; and

WHEREAS, subject to said Section, a home rule unit may exercise any power and perform any function pertaining to its government and affairs for the protection of the public health, safety, morals and welfare; and

WHEREAS, it has been determined that there have been instances where conveyances of real estate have been recorded without compliance with the City's Real Estate Transfer Tax Ordinance; and

WHEREAS, in order to facilitate collection of the City's Real Estate Transfer Tax the said Ordinance should be amended as set forth herein.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Aurora, Illinois, as follows:

**Section One:** That Chapter 44, Sections 44-213 through Sections 44-223 of the Aurora Code of Ordinances be and are hereby amended to read as follows:

**Sec. 44-213. Primary liability for tax.**

Except for a Sheriff, Judicial or other Deed that arises from a Judicial Proceeding and which deed is not otherwise exempt by State, Local or Federal Law, The primary liability for payment of said tax shall be borne by the grantor or seller involved in any such transaction unless otherwise negotiated by contract; provided, however, it shall be unlawful for the grantee or purchaser to accept a conveyance if the transfer tax has not been paid. The Grantee or Purchaser in a deed, not otherwise exempt, in a Sheriff, Judicial or other deed arising from a Judicial Proceeding is liable for payment of said tax. The tax herein levied shall be in addition to any and all other taxes.

**Sec. 44-214. Declaration form.**

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**Sec. 44-215. Deeds.**

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**Sec. 44-216. Revenue stamps required.**

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**Sec. 44-217. Transfer in trust.**

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**Sec. 44-218. Recordation of deeds.**

After the effective date of this article, no person shall present a no deed conveying real property within the corporate limits of the city forshall be entitled to recordation byin the Recorders of dDeeds for Kane, DuPage, Will or Kendall Counties unless such deed shall bear either an Aurora Real Estate Transfer Tax Stamp in the amount required by this article, or a "no tax due" stamp.

**Sec. 44-219. Proceeds of tax.**

\* \* \*

**Sec. 44-220. ~~Penalty for violation~~Violations & Penalties.**

In addition to the remaining provisions of this article, it shall be a violation of this Article to do the following:

- a. Make any representation in order to obtain a "No Tax Due" stamp or record a deed that the Deed is exempt when it is not in fact exempt.
- b. Offer advice, counsel or otherwise assist any person in evading the requirements of this Article that results in a request for a "No Tax Due" stamp being made or a deed recorded showing it is exempt when it is not in fact exempt.
- c. Offer advice, counsel or otherwise assist any person in recording any deed without obtaining a "No Tax Due" stamp or paying the tax due as required by this Article.
- d. Violate any of the remaining provisions of this Article.
- e. Any person found guilty in a court of competent jurisdiction of violating, disobeying, omitting, neglecting or refusing to comply with or resisting or opposing the enforcement of any provision of

this article, upon conviction thereof, shall be punished by a fine of not less than two hundred dollars (\$200.00) nor more than one thousand dollars (\$1,000.00).

**Sec. 44-221. Effective date.**

\* \* \*

**Sec. 44-222. Severability.**

\* \* \*

**Sec. 44-223. Payment of various outstanding accounts.**

The city treasurer shall issue no transfer tax stamps, including "no tax due" stamps, unless all outstanding building code fines, burglar alarm fees, fire alarm fees, housing rehabilitation loans, property maintenance invoices, and liens related to the subject property and Real Estate Transfer Taxes due from any prior conveyance including a Sheriff's, Judicial or other deed arising from a Judicial Proceeding that is not otherwise exempt by State, Local or Federal laws have been paid in full.

**Section Two:** That this ordinance shall be in full force and effect, and shall be controlling, upon its passage and approval.

**Section Three:** That all ordinances or parts of ordinances thereof in conflict herewith are hereby repealed to the extent of any such conflict.

**Section Four:** That any Section or provision of this ordinance that is construed to be invalid or void shall not affect the remaining Sections or provisions which shall remain in full force and effect thereafter.

PASSED by the City Council of the City of Aurora, Illinois, on Oct. 23, 2007.

AYES 12 NAYES 0

APPROVED AND SIGNED by the Mayor of the City of Aurora, Illinois, on Oct. 23, 2007.

Thomas Weisner  
Mayor

ATTEST:

Christin Tonhoff  
City Clerk