

**IN THE CIRCUIT COURT OF COOK COUNTY  
COUNTY DEPARTMENT, CHANCERY DIVISION**

**GENERAL ADMINISTRATIVE ORDER NO. 2018- 02**

**SUBJECT: MORTGAGE FORECLOSURES - TRANSFER TAX EXEMPTION LANGUAGE  
IN ORDERS APPROVING SALE**

A judicial sale which results in the property going back to the foreclosing bank is exempt from transfer taxes under the Real Estate Transfer Tax Law. 35 ILCS 200/31-45(l) (2017). The Cook County Recorder of Deeds brought an issue to the Court's attention regarding transfer tax exemption language that is being entered on Orders Approving Sale in mortgage foreclosure cases, which adversely impacts the local municipalities' requirements for obtaining the exemption. Before recording the exempt deed with the Cook County Recorder of Deeds Office, the foreclosing bank which is the successful purchaser, must file a proof of exemption in the local municipality where the property is located and obtain the proper stamp from the municipality.

In many orders approving sale, language is being inserted that also exempts the payment at the municipal level, which is not covered by the Real Estate Transfer Tax Law. An example of this language is:

The deed to be issued hereunder is exempt from any and all transfer taxes, county, local/municipal and state and the County Recorder of Deeds is ordered to immediately record the Deed issued hereunder without affixing any transfer or exemption stamps whatsoever.

This statement does not comply with exemption requirements in all municipalities. For example, in the City of Chicago, there is no fee for obtaining the proper exemption stamps, but in Cicero, there is a \$50.00 municipal fee to obtain the exemption stamps. The procedure for obtaining the proper exemption stamps with the municipalities allows the municipalities to ensure that there are no further outstanding charges relating to the property that was foreclosed and that were not covered by the foreclosure proceedings. This procedure is necessary to ensure that the property is transferred with no outstanding charges.

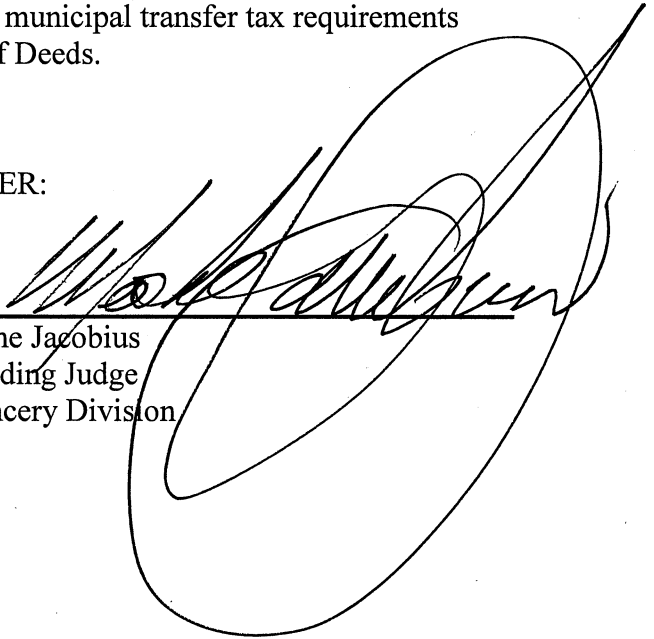
**IT IS HEREBY ORDERED:**

1. Any order approving sale that is entered for a judicial sale where the foreclosing bank, or any other purchaser, was the successful purchaser, and the purchaser may be exempt under the Real Property Transfer Tax Laws, 35 ILCS 200/31-45, shall use the following language, if any, in relation to exemptions:

IT IS FURTHER ORDERED that the deed to be issued hereunder is a transaction subject to the Real Property Transfer Tax laws of the State of Illinois, 35 ILCS 200/31-1, *et seq.* Nothing in this Order Approving Sale shall be deemed to have an effect on the transfer exemption provisions set forth in county and local municipality transfer tax laws.

2. No language shall be placed in the Judgment of Foreclosure or any other order that would allow the successful purchaser to circumvent local municipal transfer tax requirements prior to recording a deed with the Cook County Record of Deeds.

ENTER:

A large, stylized handwritten signature in black ink, written over a horizontal line. The signature is highly cursive and loops around the line.

Date: April 9, 2018

Moshe Jacobius  
Presiding Judge  
Chancery Division