

No. 25-2021

**IN THE UNITED STATES COURT OF APPEALS
FOR THE SEVENTH CIRCUIT**

In re BERNARDO ROMERO,

Bernardo Romero,
Debtor-Appellant,

v.

Corona Investments, LLC,
Creditor-Appellee.

**Appeal from the United States Bankruptcy Court
For the Northern District of Illinois
Case No. 24 B 15301
Honorable Donald R. Cassling**

**BRIEF AND SHORT APPENDIX OF
DEBTOR-APPELLANT BERNARDO ROMERO**

ORAL ARGUMENT REQUESTED

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APPEARANCE & CIRCUIT RULE 26.1 DISCLOSURE STATEMENT

Appellate Court No: 25-2021Short Caption: Bernardo Romero, Debtor-Appellant v. Corona Investments, LLC, Creditor-Appellee

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Attorney's Printed Name: Robert Vincent Schaller

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STATEMENT OF APPELLATE JURISDICTION

This appeal is taken from the order of the United States Bankruptcy Court for the Northern District of Illinois entered on June 3, 2025, by Judge Donald R. Cassling, overruling Appellant/Debtor Bernardo Romero's objection to Claim No. 4. Judge Cassling had jurisdiction to entertain the matter pursuant to 28 U.S.C. §1334 and Internal Operating Procedure 15(a) of the United States District Court for the Northern District of Illinois. *See In re Pajian*, 785 F.3d 1161, 1162 (7th Cir. 2014). This matter concerned an objection to a proof of claim and was therefore a core proceeding under 28 U.S.C. §157(b)(2)(B). An objection to a proof of claim "stems from the bankruptcy itself" and may constitutionally be decided by a Bankruptcy Court. *Stern v. Marshall*, 564 U.S. 462, 499 (2011).

Romero's notice of appeal was filed with the Clerk of the U.S. Bankruptcy Court on June 11, 2025. Docket No. 5-1, Page 1 of 115 and Docket No. 5-3, Page 26 of 115. On June 26, 2025, this Court granted Romero's request to take a direct appeal to this Court. Docket No. 3. This Court has appellate jurisdiction to review Judge Cassling's order pursuant to 28 U.S.C. §158(d)(2)(A)(i), as Judge Cassling in his June 3, 2025 order certified that the issue on appeal "raises a question of law on which there is no controlling decision of the court of appeals for this circuit or of the Supreme Court of the United States." Docket No. 5-1, Pg. 12-13 of 115.

Romero seeks the reversal of the June 3, 2025 order, and the remand of this case to the Bankruptcy Court, so that Judge Cassling can determine the appropriate interest rate to be paid on Appellee/Creditor Corona Investments, LLC's claim consistent with 11 U.S.C. §1325(a)(5)(B), as interpreted in *Till v. SCS Credit Corp*, 541 U.S.C. 465 (2004).

STATEMENT IN SUPPORT OF ORAL ARGUMENT

Oral argument is appropriate in this matter as it is a case of first impression before this Court regarding a bankruptcy issue central to debtor Romero's payment obligations to secured creditor Corona. This Court's decision will have an impact on this case and all future bankruptcy cases involving a debtor paying a claim relating to Illinois real estate taxes purchased by a tax purchaser at an annual sale. As this appeal involves technical statutes in the form of the Bankruptcy Code and the Illinois Property Tax Code, this Court's understanding of these issues would be enhanced by oral argument.

STATEMENT OF ISSUES PRESENTED FOR REVIEW

Although Romero in his June 18, 2025 "Statement of Issues" identified many issues that may be presented on this appeal depending on this Court's view of the case, Romero believes these issues can be subsumed in two overriding issues:

1. Whether tax purchaser Corona's property tax interest rate claim is controlled by the default interest rate to be paid to secured creditors pursuant to 11 U.S.C. §1325(a)(5)(B) and the United States Supreme Court's decision in *Till v. SCS Credit Corp.*, 541 U.S.C. 465 (2004), because there is no 11 U.S.C. §511(a) "applicable nonbankruptcy law," as the Illinois Property Tax Code is silent on the applicable interest rate to be paid to a tax purchaser after the real estate tax redemption period has expired?
2. Whether the Bankruptcy Court commit reversible legal error in entering its June 3, 2025 order, overruling debtor Romero's objection to creditor Corona's proof of claim and finding that Corona was entitled to 18% interest on a portion of its Chapter 13 tax claim, based upon the

Bankruptcy Court's view that Section 21-15 of the Illinois Property Tax Code constitutes "applicable nonbankruptcy law" under 11 U.S.C. §511(a), even though Section 21-15 of the Illinois Property Tax Code by its express terms applies only to county governments?

STANDARD OF REVIEW

The issues on this appeal arise from conclusions of law underpinning the Bankruptcy Court's ruling on debtor Romero's Objection to Corona's Proof of Claim No. 4. They are therefore reviewed by this Court *de novo*. See *In re Pajian*, 785 F.3d 1161, 1163 (7th Cir. 2014) ("As this appeal involves only an issue of law, we review the bankruptcy court's decision *de novo*.").

STATEMENT OF THE CASE

Romero failed to pay his Cook County annual real estate taxes, and Corona thereafter purchased these taxes, as the Bankruptcy Court noted. Docket No. 5-1, Page 8 of 115. Seven (7) days before Romero's redemption rights expired, Romero filed the underlying Chapter 13 bankruptcy petition, treating tax purchaser Corona's rights as a "claim" under this Court's seminal Chapter 13 bankruptcy decision in *In re LaMont*, 740 F.3d 397 (7th Cir. 2014) (holding that an Illinois property tax purchaser's rights become a bankruptcy claim if the underlying property owner seeks bankruptcy protection under Chapter 13 before the redemption period expires).

The Bankruptcy Court below ruled upon an issue this Court did not address in *In re LaMont*: What interest rate applies to a tax purchaser's bankruptcy claim when the redemption period expires after the Chapter 13 petition date? The Bankruptcy Court decided

that it could borrow the 18% interest rate provision found in Section 21-15 of the Illinois Property Tax Code, even though Section 21-15 applies only to county governments. The Bankruptcy Court rejected Romero’s objection that the bankruptcy default interest rate should control, pursuant to 11 U.S.C. §1325(a)(5)(B) and the United States Supreme Court’s decision in *Till v. SCS Credit Corp*, 541 U.S.C. 465 (2004).

Recognizing the absence of any controlling authority from either the United States Supreme Court or this Court on the interest rate question, the Bankruptcy Court certified the issue for direct appeal to this Court. Romero thereafter petitioned this Court to accept the appeal, and this Court granted his petition in an order dated June 26, 2025. Docket No. 3.

SUMMARY OF ARGUMENT

Section 21-15 of the Illinois Property Tax Code speaks to the interest counties receive on unpaid delinquent real estate taxes; it does not address redemption rights and responsibilities because “redemption” is not a concept applicable to mounting unpaid real estate tax liabilities owed to counties. Rather, “redemption” is a concept applicable to tax purchasers – a timely “redemption” operates to cutoff a tax purchaser’s right to acquire title to a tax-delinquent property. When a timely redemption occurs, the tax purchaser’s only right is to be repaid amounts specified in Section 21-355 of the Illinois Property Tax Code, one of which is interest “through the date of redemption.” 35 ILCS 200/21-355.

Romero concedes that tax purchaser Corona is entitled to interest through the redemption date (a total of 7 days), as provided in Section 21-355, an amount the Bankruptcy Court will have to calculate upon remand. But whatever interest, if any, is due to the tax purchaser after the

redemption date is not addressed in Section 21-355, for the logical reason that the property owner essentially loses all rights to the property after the redemption expiration date – unless, as here, the property owner files a Chapter 13 bankruptcy petition before the expiration of the redemption period. This is the significance of this Court’s decision in *In re LaMont*.

Because neither Section 21-15 nor Section 21-355 address post-redemption date interest owed to a tax purchaser, this Court should look to the federal interest rate default rule codified in 11 U.S.C. §1325(a)(5)(B), as interpreted in the United States Supreme Court’s decision in *Till v. SCS Credit Corp*, 541 U.S.C. 465 (2004). That federal interest default rate will need to be determined by the Bankruptcy Court upon remand, in accordance with the Supreme Court standards articulated in *Till*. It was not proper for the Bankruptcy Court, as a matter of statutory construction, to look to interest rate rights given to counties under Section 21-15 of the Illinois Property Tax Code. If the Illinois General Assembly had intended such an outcome, it knew how to say so but did not.

Accordingly, this Court should reverse and remand with instructions to the Bankruptcy Court to calculate post-redemption date interest under the federal default rate method the Supreme Court commanded in *Till*.

ARGUMENT

I. THE BANKRUPTCY COURT ERRED AS A MATTER OF LAW IN HOLDING THAT THE U.S. SUPREME COURT’S DECISION IN *TILL V. SCS CREDIT CORP.* IS INAPPLICABLE WHEN DETERMINING THE APPROPRIATE INTEREST RATE TO BE PAID TO A TAX PURCHASER AFTER THE REDEMPTION EXPIRATION DATE.

This Court is confronted with an issue of first impression: What interest rate is required by 11 U.S.C. §551 and §1325(a)(5)(B) to be paid by a debtor in a Chapter 13

bankruptcy case to an Illinois real estate tax purchaser holding a secured claim after the expiration of the real estate redemption date?

A. Chapter 13 Bankruptcy Overview

Before resolving this issue, this Court should first consider the basic intersection of a bankruptcy proof of claim and a proposed Chapter 13 plan. To begin, Chapter 13 bankruptcy allows a debtor to pay off the debtor's debts through future earnings, while at the same time retaining assets. In order to participate in Chapter 13 bankruptcy, a debtor must first file a plan that provides separate payment treatment for secured creditors, priority unsecured creditors, and non-priority unsecured creditors holding allowed claims. 11 U.S.C. §1321. Once a proposed plan is filed, a debtor must begin making payments to the trustee within thirty days. 11 U.S.C. §1326(a). A debtor may modify the proposed plan at any time prior to confirmation without leave of court. 11 U.S.C. §1323.

Secured and unsecured creditors seeking payment of their prepetition debts in the bankruptcy case must file a proof of claim with the Clerk of the U.S. Bankruptcy Court. 11 U.S.C. §501(a); *In re Pajian*, 785 F.3d 1161 (7th Cir. 2014). That claim must be filed prior to the deadline imposed by 11 U.S.C. §502(b)(9) and Fed.R. Bankr. P. 3002. A creditor's claim must be deemed "allowed" in order to receive plan payments. Fed.R. Bankr. P. 3021. A filed claim is automatically deemed allowed, 11 U.S.C. §502(a) (Allowance of Claims), unless a bankruptcy court sustains an objection to the claim. Fed.R. Bankr. P. 3007 (Objecting to a Claim).

A confirmable plan requires special treatment for creditors holding secured claims compared to treatment for unsecured creditors. Secured creditors receiving installment payments must receive disbursements whose total present value equals or exceeds that of the allowed claim

– meaning the secured creditor must receive the value of its claim plus interest. 11 U.S.C. §1325(a)(5)(B); *Till v. SCS Credit Corp*, 541 U.S.C. 465, 469 (2004).

When the bankruptcy court confirms a debtor’s plan, the trustee begins to distribute the collected funds to the creditors holding allowed claims according to the terms of the confirmed plan, including a claim filed by a real estate tax purchaser. Fed.R. Bankr. P. 3021. A debtor continues to make payments to the trustee until all plan payments are made, at which point the bankruptcy court will grant the debtor a discharge of all debts provided for by the plan, and the lien held by the real estate tax purchaser is extinguished. 11 U.S.C. §1328(a).

B. Interest Paid to Secured Creditors Holding Tax Claims

The United States Supreme Court issued its seminal bankruptcy ruling setting the default interest rate to be paid to secured creditors in *Till v. SCS Credit Corp*, 541 U.S.C. 465 (2004). In *Till*, the Supreme Court explained that Section 1325(a)(5)(b) of the U.S. Bankruptcy Code states that a Chapter 13 plan,

must accommodate each allowed secured creditor in one of three ways: (1) by obtaining the creditor’s acceptance of the plan; (2) by surrendering the property securing the claim; or (3) by providing the creditor both a lien securing the claim and a promise of future property distributions (such as deferred cash payments) whose total ‘value, as of the effective date of the plan, ... is not less than the allowed amount of such claim.’

11 U.S.C. §1325(a)(5)(B). *Id.* at 468-469.

The promise of future property distributions is commonly manifested in the form of installment payments over a period of years rather than a single payment. The Supreme Court noted that the amount of each installment must be calibrated to ensure that, over time, the creditor receives disbursements whose total present value equals or exceeds that of the allowed claim. *Id.* at 469. That calibration is achieved with an interest rate adjustment. However, §1325(a)(5)(B) does not identify a specific interest rate.

The Supreme Court in *Till* resolved this issue and held that the appropriate rate of interest to be paid to secured creditors is the prime rate of interest plus a risk adjustment factor determined by the facts of each case. *Id.* at 479-481. If Romero is successful on this appeal, he asks this Court to remand this interest rate calculation to the Bankruptcy Court for a first-instance determination.

Judge Cassling acknowledged the force of *Till*, at least in part. Judge Cassling held that the appropriate rate of interest should be determined under *Till* for part of Corona's claim (\$2,439.67), as set forth on 3 of his opinion. Docket No. 5-1, Page 10 of 115. Romero does not challenge this *Till* determination. Instead, this Romero appeal focuses upon the 18% annual interest rate Judge Cassling applied to the remaining portion of the claim (\$23,695.28), based upon his view that the *Till* federal interest rate default rule did not apply here given the language of Section 25-15 of the Illinois Property Tax Code dictating 18% – even though that language is applicable *only* to counties. 35 ILCS 20/21-15 (“All interest collected shall be paid into the general fund of the county.”). Docket No. 5-1, Page 10 of 115. Section 25-15, Judge Cassling thought, constituted “applicable nonbankruptcy law” for purposes of 11 U.S.C. §511(a), as he said on page 2 of his opinion. Docket No. 5-1, Page 9 of 115.

II. THE BANKRUPTCY COURT ERRED AS A MATTER OF LAW IN HOLDING THAT THE INTEREST RATE TO BE PAID ON CREDITOR CORONA'S CLAIM IS DETERMINED UNDER ILLINOIS LAW.

The Illinois Property Tax Code, at bottom, provides separate treatment for counties versus tax purchasers. For Cook County, unpaid taxes, penalties, and delinquent interest (1½% per month, or 18% per annum) continue to mount until the property owner makes tax payments to the county to discharge the debt:

Except as otherwise provided in this Section or Section 21-40, all property upon which the first installment of taxes remains unpaid on the later of (i) June 1 or (ii) the day after the date specified on the real estate tax bill as the first installment due date annually shall be deemed delinquent and **shall bear interest after that date.** For property located in a county with 3,000,000 or more inhabitants, the unpaid taxes shall bear interest at the rate of (i) 1.5% per month, or portion thereof, if the unpaid taxes are for a tax year before 2023 or (ii) 0.75% per month, or portion thereof, if the unpaid taxes are for tax year 2023 or any tax year thereafter. Except as otherwise provided in this Section or Section 21-40, all property upon which the second installment of taxes remains due and unpaid on the later of (i) September 1 or (ii) the day after the date specified on the real estate tax bill as the second installment due date, annually, shall be deemed delinquent and shall bear interest after that date at the same interest rate. Notwithstanding any other provision of law, in counties with 3,000,000 or more inhabitants, if a taxpayer owes an arrearage of taxes due to an administrative error, and if the county collector sends a separate bill for that arrearage as provided in Section 14-41, then any part of the arrearage of taxes that remains unpaid on the day after the due date specified on that tax bill shall be deemed delinquent and shall bear interest after that date at the rate of (i) 1 1/2% per month, or portion thereof, if the arrearage is for a tax year before tax year 2023 or (ii) 0.75% per month, or portion thereof, if the arrearage is for tax year 2023 or any tax year thereafter. **All interest collected shall be paid into the general fund of the county.** Payment received by mail and postmarked on or before the required due date is not delinquent.

35 ILCS 200/21-15 (emphasis added) (language related to counties other than Cook County is omitted).

As this case and *In re LaMont* illustrate, the more common collection route in Cook County is the annual sale of delinquent taxes, with the tax purchaser receiving a “Certificate of Purchase.” *In re LaMont*, 740 F.3d at 408 (“In effect, what the tax sale procedure does is sell the county’s equitable remedy to a third party, the tax purchaser. In this way, the tax sale procedure provides immediate income to the county.”). As explained in *In re LaMont*, 740 F.3d at 401, the property owner can redeem the property by timely paying Cook County, which in turn (somewhat simplified) pays all amounts due the tax purchaser, including interest (called a “penalty”) up to 12%. See 35 ILCS 200/21-355(b) (specifying penalty rate on bid at sale) and 35

ILCS 200/21-355(c) (specifying penalty rate up to 12% based on subsequent year taxes paid by the tax purchaser).

Outside of bankruptcy, the redemption payment mechanics are somewhat complicated, with the property owner depositing funds with the county clerk and the county clerk then tendering the funds to the tax purchaser upon the tax purchaser's surrender of the Certificate of Purchase. In bankruptcy, however, as described in *In re LaMont*, the process is ruthlessly simplified, with the property owner paying the Chapter 13 trustee, who in turn pays the tax purchaser according to the terms of the confirmed plan. If all plan payments are made, the tax purchaser's interests are extinguished. *See In re LaMont*, 740 F.3d at 409-10 (describing the Chapter 13 extinguishment of tax purchaser Alexandrov's claim because debtor LaMont's Chapter 13 plan "succeeded").

III. THE BANKRUPTCY COURT ERRED AS A MATTER OF LAW IN HOLDING THAT THE INTEREST RATE TO BE PAID ON CREDITOR CORONA'S CLAIM IS DETERMINED BY SECTION 21-15 OF THE ILLINOIS PROPERTY TAX CODE

The Illinois Property Tax Code is nothing if not a comprehensive statutory scheme. In essence, the position of the Bankruptcy Court and creditor Corona was that the Illinois General Assembly must have forgotten to address post-redemption interest and, therefore, it was appropriate to borrow from the wholly separate rights of Cook County. This was error.

To begin, a basic principle of statutory construction is that the specific controls over the general. *See McFatridge v. Madigan*, 2013 IL 113676, ¶22, 989 N.E.2d 165, 171 (2013) (where a statute contains both a general and a specific provision relating to the same subject, the specific provision prevails). Illinois courts should "not depart from the plain language of a statute by reading into it exceptions, conditions, or limitations that the legislature did not express." *Skaperdas v. County Cas. Ins. Co.*, 2015 IL 117021, ¶15, 28 N.E.3d 747, 752 (2015). Statutory

construction should seek to give effect to all language in the statute, *see Hennings v. Chandler*, 229 Ill.2d 18, 24, 890 N.E.2d 920, 923 (2008) (“In determining the plain meaning of a statute’s terms, we consider the statute in its entirety, keeping in mind the subject it addresses, and the apparent intent of the legislature in enacting the statute.”), with no part of the statutory text “rendered meaningless or superfluous.” *People v. Lloyd*, 2013 IL 113510, ¶25, 987 N.E.2d 386, 392 (2013).

Section 21-15 of the Illinois Property Tax Code could hardly be more specific. The Illinois Property Tax Code gives interest rights to Cook County and other counties and nowhere speaks of “redemption” or “tax purchasers,” for the obvious reason that delinquent tax liability continues to mount through subsequent unpaid taxes, interest, and penalties – a liability that could potentially mount for decades if property taxes are not sold. By contrast, when a tax purchaser buys delinquent taxes on a residential property, the amount owed the tax purchaser culminates on the redemption date 2.5 years later. *See In re LaMont*, 740 F.3d at 400 (citing 35 ILCS 200/21-350). With minor exceptions not relevant here, non-payment by the redemption date extinguishes the property owner’s interest. Importantly, after the redemption date has passed without full payment, the property owner does not owe anything to the tax purchaser; the tax purchaser instead receives title to the property after petitioning the circuit court, a right subject only to a sale in error proceeding. *See In re LaMont*, 740 F. 3d at 401.

Adding to this view is the principle of legislative acquiescence. *See Miller v. Lockett*, 98 Ill.2d 478, 483, 457 N.E.2d 14, 17 (1983). The Illinois General Assembly has repeatedly amended the Illinois Property Tax Code since this Court’s 2014 opinion in *In re LaMont*, yet it has not provided for post-redemption interest in favor of a tax purchaser after the redemption date. *See* Illinois Public Acts of the 103rd General Assembly (2023-2024), SB 1675, Act 103-

0555 (relating to Section 21-15); Illinois Public Acts of the 101st General Assembly (2019-2020), SB 1980, Act 101-0659 (relating to Section 21-355); Illinois Public Acts of the 103rd General Assembly (2023-2024), SB 1675, Act 103-0555 (relating to Section 21-355); and Illinois Public Acts of the 103rd General Assembly (2023-2024), HB 4951, Act 103-0592 (relating to Section 21-355). To be sure, the Illinois General Assembly knows how to respond to judicial decisions it does not like or thinks need clarification. *See, e.g.*, David P. Eldridge, *Legislative Roundup*, 113 ILL. B. J. 20, 26 (August 2025) (noting Illinois Senate Bill 1443, amending the Mortgage Act to provide that the Act does not abrogate the common law that payment in full of a debt secured by a mortgage extinguishes the lien, in apparent response to this Court's holding to the opposite effect in *Securities and Exchange Commission v. EquityBuild, Inc.*, 101 F.4th 526 (7th Cir. 2024)); Guerino Turano, *Redemption from Tax Sales in Illinois – Confusion Galore*, 23 J. MARSHALL L. REV. 107, 109-12 (1989) (identifying eight statutory or constitutional amendments on property taxes between 1976 and 1987).

IV. MOTION TO CERTIFY A QUESTION OF ILLINOIS STATE LAW THAT WILL CONTROL AND BE DETERMINATIVE OF THE OUTCOME OF THIS CASE AND TO STAY THIS CASE WHILE AWAITING THE ILLINOIS SUPREME COURT'S DECISION ON THE QUESTION CERTIFIED.

Illinois Supreme Court Rule 20 expressly empowers this Court to certify questions of Illinois law to the Illinois Supreme Court. *See* Illinois Supreme Court Rule 20(a).

Romero has found no case in which the Illinois Supreme Court (or Illinois Appellate Court, for that matter) provided interest for a tax purchaser after the real estate redemption expiration date. Romero therefore contends that there is no controlling decision of the Illinois Supreme Court. Pursuant to Circuit Rule 52, debtor Romero moves this Court to certify a question of Illinois state law that will control and be determinative of the outcome of this case,

and further moves that this Court to stay the proceedings in this case while awaiting the Illinois Supreme Court's decision on the question certified. *See LKQ Corp. v. Rutledge*, 96 F.4th 977, 986-87 (7th Cir. 2024).

Romero believes the following question is of importance to Illinois jurisprudence and to the real estate tax buying community at large:

Whether the Illinois Property Tax Code requires a property owner to pay interest to a tax purchaser for the period after the expiration of the statutory redemption date identified in 35 ILCS 200/21-350?

If this Court requires a separate motion for certification, then Romero requests leave to file a separate motion for certification.

V. CONCLUSION

The Bankruptcy Court erred, as a matter of law, when it overruled Appellant/Debtor Romero's objection to Appellee/Creditor Corona's proof of claim and held that Section 21-15 of the Illinois Property Tax Code provides the appropriate rate of 18% interest. In addition, the Bankruptcy Court erred when it failed to hold that the United States Supreme Court's decision in *Till* is controlling in determining the appropriate interest rate to be paid to a tax purchaser holding a secured claim after the real estate tax redemption expiration date.

Therefore, for the reasons stated above, this Court should reverse the order of the United States Bankruptcy Court for the Northern District of Illinois entered on June 3, 2025. This Court should remand this case to the Bankruptcy Court so that the Bankruptcy Court can determine the appropriate default interest rate to be paid to Appellee/Creditor Corona consistent with *Till*. In the alternative, Appellant/Debtor Romero prays for such other and further relief as this Court deems appropriate, including certification to the Illinois Supreme Court of the Illinois Property Tax Code question presented.

Dated: July 30, 2025

Respectfully submitted,

/s/ Robert V. Schaller

Attorney for Appellant/Debtor Bernardo Romeo

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CERTIFICATE OF COMPLIANCE WITH F.R.A.P. RULE 32(a)(7)

The undersigned, counsel of record for the Appellant/Debtor, Bernardo Romero, furnishes the following in compliance with F.R.A.P. Rule 32(a)(7):

I hereby certify that this brief conforms to the rules contained in F.R.A.P. Rule 32(a)(7) as modified by Circuit Rule 32(c) for a brief produced with a proportionally spaced font. The length of this brief is 4,107 words.

Dated: July 30, 2025

/s/ Robert V. Schaller

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CIRCUIT RULE 30(D) STATEMENT

Pursuant to Circuit Rule 30(d), counsel certifies that all material required by Circuit Rule 30(a) and (b) are included in the appendix.

Dated: July 30, 2025

/s/ Robert V. Schaller

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CERTIFICATE OF SERVICE

I hereby certify that on July 30, 2025, I electronically served the foregoing **BRIEF AND REQUIRED SHORT APPENDIX OF APPELLANT BERNARDO ROMERO**, through the court's CM/ECF system to the party identified below. I certify that all participants in the case are registered CM/ECF users and that service will be accomplished by the CM/ECF system.

Corona Investments LLC
c/o Paul M. Bach
Bach Law Offices
P.O. Box 1285
Northbrook, IL 60065

I also hereby certify that on July 30, 2025, I served the foregoing **BRIEF AND REQUIRED SHORT APPENDIX OF APPELLANT BERNARDO ROMERO** via U.S. Mail to Bernardo Romero at the address below, proper postage prepaid.

Bernardo Romero
2632 W. 36th Place
Chicago, IL 60632

/s/ Robert V. Schaller
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APPENDIX

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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

IN RE:	)	Bankruptcy No. 24 B 15301
	)	
BERNARDO ROMERO,	)	Chapter 13
	)	
Debtor.	)	Judge Donald R. Cassling

ORDER OVERRULING OBJECTION TO CLAIM (DOCKET NO. 31)

The matter is before the Court on the objection of Bernardo Romero (the “Debtor”) to the proof of claim filed by creditor Corona Investments, LLC (“Corona”) pursuant to Section 502(a) of the Bankruptcy Code and Bankruptcy Rule 3007. 11 U.S.C. § 502(a) & FED R. BANKR. P. 3007. The Debtor contends that the interest rate to be applied to Corona’s tax certificate is lower than the rate asserted by Corona in its proof of claim. For the reasons stated below, the Court overrules the Debtor’s objection.

BACKGROUND

The Debtor owns real property located at 2632 W. 36th Place in Chicago, Illinois (the “Property”). For the tax years 2018 through 2021, the Debtor did not pay his Cook County property taxes, which were instead paid by Corona. (*See* Claim No. 4, 24 B 15301; Itemization, 24 B 15301, Dkt. No. 54.) When a property owner is delinquent on his property taxes, the collecting county can petition for a lien on the property and sell the lien to a third party through an annual tax sale. *See In re Rogers*, Order Partially Overruling Debtor's Amended Objection, 17 B 3337, Dkt. No. 63, at 1 (Bankr. N.D. Ill. Dec. 13, 2017) (unpublished order) (citing *In re LaMont*, 740 F.3d 397, 400 (7th Cir. 2014)). Corona acquired its lien on the Property through certificate of purchase in just that way.

The Debtor filed his bankruptcy case under Chapter 13 on October 15, 2024, which was seven days prior to the real estate tax redemption expiration date for redeeming the sold taxes. (Debtor’s Obj. to Claim, Dkt. No. 31, ¶ 11.) The Debtor and Corona have agreed that the principal amount of Corona’s claim is \$26,134.95. However, the parties now dispute the appropriate rate of

interest to be charged on that debt. The Debtor objects to Corona's assertion that it is entitled to a fixed interest rate of 18% on its claim and seeks to reduce that rate to 12%.

DISCUSSION

Courts in this jurisdiction have determined that claimholders who have acquired *in rem* liens through certificate of purchase at an Illinois tax sale hold tax claims against property of a debtor's estate. *See In re Drake*, [638 B.R. 96, 99-100](#) (Bankr. N.D. Ill. 2022); *In re Villasenor*, [581 B.R. 546, 548](#) (Bankr. N.D. Ill. 2017). Section 511(a) provides that the rate of interest on a tax claim shall be determined under applicable nonbankruptcy law. [11 U.S.C. § 511\(a\)](#); *Drake*, [638 B.R. at 100](#). Because Corona's claim arises under Illinois law, Section 511(a) requires the Court to identify the appropriate rate of interest on its claim pursuant to the Illinois Property Tax Code, 35 ILCS 200 *et seq.* *See Drake*, [638 B.R. at 101](#); *Villasenor*, [581 B.R. at 548](#).

Some bankruptcy courts in this District, including this one, have previously held that the appropriate rate of interest for a tax claim of the kind Corona holds is 12% per annum, as prescribed by [35 ILCS 200/21-355\(c\)](#). *See Rogers*, 17 B 3337, [Dkt. No. 63](#); *Villasenor*, [581 B.R. at 552](#). Subsequent to the *Rogers* and *Villasenor* decisions, other bankruptcy courts in this district have concluded that the appropriate rate is instead 18% per annum, holding that the governing Illinois Property Tax Code provision is [35 ILCS 200/21-15](#). *See In re McGuire*, [653 B.R. 558, 561](#) (Bankr. N.D. Ill. 2023); *In re Gregg*, No. 22 B 1045, [Dkt. No. 94](#), Tr. of Record at 7-8 (Bankr. N.D. Ill. Aug. 11, 2022); *In re Pahl*, No. 21 B 12034, [Dkt. No. 67](#), Tr. of Record at 7 (Bankr. N.D. Ill. July 15, 2022); *Drake*, [638 B.R. at 103-04](#).

The latter courts applying the 18% rate set forth under [35 ILCS 200/21-15](#) have based their decisions on the fact that the source of the 12% interest rate—[35 ILCS 200/21-355\(c\)](#)—focuses on the calculation of the redemption amount that a debtor must deposit with the county clerk in order to redeem the property. *See McGuire*, [653 B.R. at 561](#) (“[S]ection 355(c) . . . only applies if the debtor is exercising a right of redemption.”); *Pahl*, *supra* at 5 (observing similarly). By contrast, [35 ILCS 200/21-15](#) more directly addresses how to calculate the interest rate for unpaid taxes deemed to be delinquent. The current version of this latter section provides, in pertinent part, as follows:

[A]ll property upon which the first installment of taxes remains unpaid on the later of (i) June 1 or (ii) the day after the date specified on the real estate

tax bill as the first installment due date annually shall be deemed delinquent and shall bear interest after that date. . . . For property located in a county with 3,000,000 or more inhabitants the unpaid taxes shall bear interest at the rate of (i) 1.5% per month, or portion thereof, if the unpaid taxes are for a tax year before 2023 or (ii) 0.75% per month, or portion thereof, if the unpaid taxes are for tax year 2023 or any tax year thereafter. . . .

35 ILCS 200/21-15 (2024).

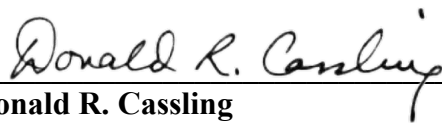
For purposes of resolving the current dispute, it is significant that the Debtor in this case is not seeking to redeem his taxes. Instead, he is trying to calculate the amount of Corona's *in rem* secured tax claim, so that he may arrange for payment of that claim in his Chapter 13 plan. Under these circumstances, the Court agrees with those cases that have held that 35 ILCS 200/21-15 applies, rather than 35 ILCS 200/21-355(c). Under 35 ILCS 200/21-15, the appropriate rate of interest is clearly 18% per annum on the portion of its claim concerning Corona's purchase of taxes for tax years prior to 2023. See 35 ILCS 200/21-15 (2024); *Drake*, 638 B.R. at 104. The portion of its claim that must bear interest at 18% per annum is \$23,695.28. (See Itemization, 24 B 15301, Dkt. No. 54.) The remaining \$2,439.67 of its claim should bear interest at a rate determined under *Till v. SCS Credit Corp.*, 541 U.S. 465, 469 (2004), which held that the amount of each monthly payment "must be calibrated to ensure that, over time, the creditor receives disbursements whose total present value equals or exceeds that of the allowed claim."¹ See *Drake*, 638 B.R. at 99-100 & n.3, 104 & n.5. If the parties are unable to agree upon an appropriate *Till* rate, the Court will set an evidentiary hearing to resolve that remaining issue.

CONCLUSION

For the foregoing reasons, the Court overrules the Debtor's objection.

ENTERED:

DATE: June 3, 2025


Donald R. Cassling
United States Bankruptcy Judge

¹ This remaining portion of Corona's claim is composed of various fees related to its tax purchase.