



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB4996

by Rep. Fred Crespo

SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-185
35 ILCS 200/18-205
35 ILCS 200/18-242 new
30 ILCS 805/8.42 new

Amends the Property Tax Extension Limitation Law in the Property Tax Code. Provides that, if, at the end of any levy year, a taxing district has reserves of 50% or more of its operating budget for that levy year, then, for the next levy year, "extension limitation" means 0% or the rate of increase approved by the voters. Preempts the power of home rule units to tax. Effective immediately.

LRB100 16679 HLH 31817 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Property Tax Code is amended by changing
5 Sections 18-185 and 18-205 and by adding Section 18-242 as
6 follows:

7 (35 ILCS 200/18-185)

8 Sec. 18-185. Short title; definitions. This Division 5 may
9 be cited as the Property Tax Extension Limitation Law. As used
10 in this Division 5:

11 "Consumer Price Index" means the Consumer Price Index for
12 All Urban Consumers for all items published by the United
13 States Department of Labor.

14 "Extension limitation" means, except as otherwise provided
15 in this Section, (a) the lesser of 5% or the percentage
16 increase in the Consumer Price Index during the 12-month
17 calendar year preceding the levy year or (b) the rate of
18 increase approved by voters under Section 18-205.

19 If, at the end of any levy year, any taxing district, as
20 defined in Section 1-150, has reserves of 50% or more of its
21 operating budget for that levy year, then, for the next levy
22 year, "extension limitation" means 0% or the rate of increase
23 approved by the voters under Section 18-205.

1 "Affected county" means a county of 3,000,000 or more
2 inhabitants or a county contiguous to a county of 3,000,000 or
3 more inhabitants.

4 "Taxing district" has the same meaning provided in Section
5 1-150, except as otherwise provided in this Section. For the
6 1991 through 1994 levy years only, "taxing district" includes
7 only each non-home rule taxing district having the majority of
8 its 1990 equalized assessed value within any county or counties
9 contiguous to a county with 3,000,000 or more inhabitants.
10 Beginning with the 1995 levy year, "taxing district" includes
11 only each non-home rule taxing district subject to this Law
12 before the 1995 levy year and each non-home rule taxing
13 district not subject to this Law before the 1995 levy year
14 having the majority of its 1994 equalized assessed value in an
15 affected county or counties. Beginning with the levy year in
16 which this Law becomes applicable to a taxing district as
17 provided in Section 18-213, "taxing district" also includes
18 those taxing districts made subject to this Law as provided in
19 Section 18-213. Beginning in levy year 2018, "taxing district"
20 also means any taxing district, as defined in Section 1-150,
21 that had reserves of 50% or more of its operating budget at the
22 end of the immediately preceding levy year.

23 "Aggregate extension" for taxing districts to which this
24 Law applied before the 1995 levy year means the annual
25 corporate extension for the taxing district and those special
26 purpose extensions that are made annually for the taxing

1 district, excluding special purpose extensions: (a) made for
2 the taxing district to pay interest or principal on general
3 obligation bonds that were approved by referendum; (b) made for
4 any taxing district to pay interest or principal on general
5 obligation bonds issued before October 1, 1991; (c) made for
6 any taxing district to pay interest or principal on bonds
7 issued to refund or continue to refund those bonds issued
8 before October 1, 1991; (d) made for any taxing district to pay
9 interest or principal on bonds issued to refund or continue to
10 refund bonds issued after October 1, 1991 that were approved by
11 referendum; (e) made for any taxing district to pay interest or
12 principal on revenue bonds issued before October 1, 1991 for
13 payment of which a property tax levy or the full faith and
14 credit of the unit of local government is pledged; however, a
15 tax for the payment of interest or principal on those bonds
16 shall be made only after the governing body of the unit of
17 local government finds that all other sources for payment are
18 insufficient to make those payments; (f) made for payments
19 under a building commission lease when the lease payments are
20 for the retirement of bonds issued by the commission before
21 October 1, 1991, to pay for the building project; (g) made for
22 payments due under installment contracts entered into before
23 October 1, 1991; (h) made for payments of principal and
24 interest on bonds issued under the Metropolitan Water
25 Reclamation District Act to finance construction projects
26 initiated before October 1, 1991; (i) made for payments of

1 principal and interest on limited bonds, as defined in Section
2 3 of the Local Government Debt Reform Act, in an amount not to
3 exceed the debt service extension base less the amount in items
4 (b), (c), (e), and (h) of this definition for non-referendum
5 obligations, except obligations initially issued pursuant to
6 referendum; (j) made for payments of principal and interest on
7 bonds issued under Section 15 of the Local Government Debt
8 Reform Act; (k) made by a school district that participates in
9 the Special Education District of Lake County, created by
10 special education joint agreement under Section 10-22.31 of the
11 School Code, for payment of the school district's share of the
12 amounts required to be contributed by the Special Education
13 District of Lake County to the Illinois Municipal Retirement
14 Fund under Article 7 of the Illinois Pension Code; the amount
15 of any extension under this item (k) shall be certified by the
16 school district to the county clerk; (l) made to fund expenses
17 of providing joint recreational programs for persons with
18 disabilities under Section 5-8 of the Park District Code or
19 Section 11-95-14 of the Illinois Municipal Code; (m) made for
20 temporary relocation loan repayment purposes pursuant to
21 Sections 2-3.77 and 17-2.2d of the School Code; (n) made for
22 payment of principal and interest on any bonds issued under the
23 authority of Section 17-2.2d of the School Code; (o) made for
24 contributions to a firefighter's pension fund created under
25 Article 4 of the Illinois Pension Code, to the extent of the
26 amount certified under item (5) of Section 4-134 of the

1 Illinois Pension Code; and (p) made for road purposes in the
2 first year after a township assumes the rights, powers, duties,
3 assets, property, liabilities, obligations, and
4 responsibilities of a road district abolished under the
5 provisions of Section 6-133 of the Illinois Highway Code.

6 "Aggregate extension" for the taxing districts to which
7 this Law did not apply before the 1995 levy year (except taxing
8 districts subject to this Law in accordance with Section 18-213
9 or this amendatory Act of the 100th General Assembly) means the
10 annual corporate extension for the taxing district and those
11 special purpose extensions that are made annually for the
12 taxing district, excluding special purpose extensions: (a)
13 made for the taxing district to pay interest or principal on
14 general obligation bonds that were approved by referendum; (b)
15 made for any taxing district to pay interest or principal on
16 general obligation bonds issued before March 1, 1995; (c) made
17 for any taxing district to pay interest or principal on bonds
18 issued to refund or continue to refund those bonds issued
19 before March 1, 1995; (d) made for any taxing district to pay
20 interest or principal on bonds issued to refund or continue to
21 refund bonds issued after March 1, 1995 that were approved by
22 referendum; (e) made for any taxing district to pay interest or
23 principal on revenue bonds issued before March 1, 1995 for
24 payment of which a property tax levy or the full faith and
25 credit of the unit of local government is pledged; however, a
26 tax for the payment of interest or principal on those bonds

1 shall be made only after the governing body of the unit of
2 local government finds that all other sources for payment are
3 insufficient to make those payments; (f) made for payments
4 under a building commission lease when the lease payments are
5 for the retirement of bonds issued by the commission before
6 March 1, 1995 to pay for the building project; (g) made for
7 payments due under installment contracts entered into before
8 March 1, 1995; (h) made for payments of principal and interest
9 on bonds issued under the Metropolitan Water Reclamation
10 District Act to finance construction projects initiated before
11 October 1, 1991; (h-4) made for stormwater management purposes
12 by the Metropolitan Water Reclamation District of Greater
13 Chicago under Section 12 of the Metropolitan Water Reclamation
14 District Act; (i) made for payments of principal and interest
15 on limited bonds, as defined in Section 3 of the Local
16 Government Debt Reform Act, in an amount not to exceed the debt
17 service extension base less the amount in items (b), (c), and
18 (e) of this definition for non-referendum obligations, except
19 obligations initially issued pursuant to referendum and bonds
20 described in subsection (h) of this definition; (j) made for
21 payments of principal and interest on bonds issued under
22 Section 15 of the Local Government Debt Reform Act; (k) made
23 for payments of principal and interest on bonds authorized by
24 Public Act 88-503 and issued under Section 20a of the Chicago
25 Park District Act for aquarium or museum projects; (l) made for
26 payments of principal and interest on bonds authorized by

1 Public Act 87-1191 or 93-601 and (i) issued pursuant to Section
2 21.2 of the Cook County Forest Preserve District Act, (ii)
3 issued under Section 42 of the Cook County Forest Preserve
4 District Act for zoological park projects, or (iii) issued
5 under Section 44.1 of the Cook County Forest Preserve District
6 Act for botanical gardens projects; (m) made pursuant to
7 Section 34-53.5 of the School Code, whether levied annually or
8 not; (n) made to fund expenses of providing joint recreational
9 programs for persons with disabilities under Section 5-8 of the
10 Park District Code or Section 11-95-14 of the Illinois
11 Municipal Code; (o) made by the Chicago Park District for
12 recreational programs for persons with disabilities under
13 subsection (c) of Section 7.06 of the Chicago Park District
14 Act; (p) made for contributions to a firefighter's pension fund
15 created under Article 4 of the Illinois Pension Code, to the
16 extent of the amount certified under item (5) of Section 4-134
17 of the Illinois Pension Code; (q) made by Ford Heights School
18 District 169 under Section 17-9.02 of the School Code; and (r)
19 made for the purpose of making employer contributions to the
20 Public School Teachers' Pension and Retirement Fund of Chicago
21 under Section 34-53 of the School Code.

22 "Aggregate extension" for all taxing districts to which
23 this Law applies in accordance with Section 18-213, except for
24 those taxing districts subject to paragraph (2) of subsection
25 (e) of Section 18-213, means the annual corporate extension for
26 the taxing district and those special purpose extensions that

1 are made annually for the taxing district, excluding special
2 purpose extensions: (a) made for the taxing district to pay
3 interest or principal on general obligation bonds that were
4 approved by referendum; (b) made for any taxing district to pay
5 interest or principal on general obligation bonds issued before
6 the date on which the referendum making this Law applicable to
7 the taxing district is held; (c) made for any taxing district
8 to pay interest or principal on bonds issued to refund or
9 continue to refund those bonds issued before the date on which
10 the referendum making this Law applicable to the taxing
11 district is held; (d) made for any taxing district to pay
12 interest or principal on bonds issued to refund or continue to
13 refund bonds issued after the date on which the referendum
14 making this Law applicable to the taxing district is held if
15 the bonds were approved by referendum after the date on which
16 the referendum making this Law applicable to the taxing
17 district is held; (e) made for any taxing district to pay
18 interest or principal on revenue bonds issued before the date
19 on which the referendum making this Law applicable to the
20 taxing district is held for payment of which a property tax
21 levy or the full faith and credit of the unit of local
22 government is pledged; however, a tax for the payment of
23 interest or principal on those bonds shall be made only after
24 the governing body of the unit of local government finds that
25 all other sources for payment are insufficient to make those
26 payments; (f) made for payments under a building commission

1 lease when the lease payments are for the retirement of bonds
2 issued by the commission before the date on which the
3 referendum making this Law applicable to the taxing district is
4 held to pay for the building project; (g) made for payments due
5 under installment contracts entered into before the date on
6 which the referendum making this Law applicable to the taxing
7 district is held; (h) made for payments of principal and
8 interest on limited bonds, as defined in Section 3 of the Local
9 Government Debt Reform Act, in an amount not to exceed the debt
10 service extension base less the amount in items (b), (c), and
11 (e) of this definition for non-referendum obligations, except
12 obligations initially issued pursuant to referendum; (i) made
13 for payments of principal and interest on bonds issued under
14 Section 15 of the Local Government Debt Reform Act; (j) made
15 for a qualified airport authority to pay interest or principal
16 on general obligation bonds issued for the purpose of paying
17 obligations due under, or financing airport facilities
18 required to be acquired, constructed, installed or equipped
19 pursuant to, contracts entered into before March 1, 1996 (but
20 not including any amendments to such a contract taking effect
21 on or after that date); (k) made to fund expenses of providing
22 joint recreational programs for persons with disabilities
23 under Section 5-8 of the Park District Code or Section 11-95-14
24 of the Illinois Municipal Code; (l) made for contributions to a
25 firefighter's pension fund created under Article 4 of the
26 Illinois Pension Code, to the extent of the amount certified

1 under item (5) of Section 4-134 of the Illinois Pension Code;
2 and (m) made for the taxing district to pay interest or
3 principal on general obligation bonds issued pursuant to
4 Section 19-3.10 of the School Code.

5 "Aggregate extension" for all taxing districts to which
6 this Law applies in accordance with paragraph (2) of subsection
7 (e) of Section 18-213 or this amendatory Act of the 100th
8 General Assembly means the annual corporate extension for the
9 taxing district and those special purpose extensions that are
10 made annually for the taxing district, excluding special
11 purpose extensions: (a) made for the taxing district to pay
12 interest or principal on general obligation bonds that were
13 approved by referendum; (b) made for any taxing district to pay
14 interest or principal on general obligation bonds issued before
15 the effective date of this amendatory Act of 1997; (c) made for
16 any taxing district to pay interest or principal on bonds
17 issued to refund or continue to refund those bonds issued
18 before the effective date of this amendatory Act of 1997; (d)
19 made for any taxing district to pay interest or principal on
20 bonds issued to refund or continue to refund bonds issued after
21 the effective date of this amendatory Act of 1997 if the bonds
22 were approved by referendum after the effective date of this
23 amendatory Act of 1997; (e) made for any taxing district to pay
24 interest or principal on revenue bonds issued before the
25 effective date of this amendatory Act of 1997 for payment of
26 which a property tax levy or the full faith and credit of the

1 unit of local government is pledged; however, a tax for the
2 payment of interest or principal on those bonds shall be made
3 only after the governing body of the unit of local government
4 finds that all other sources for payment are insufficient to
5 make those payments; (f) made for payments under a building
6 commission lease when the lease payments are for the retirement
7 of bonds issued by the commission before the effective date of
8 this amendatory Act of 1997 to pay for the building project;
9 (g) made for payments due under installment contracts entered
10 into before the effective date of this amendatory Act of 1997;
11 (h) made for payments of principal and interest on limited
12 bonds, as defined in Section 3 of the Local Government Debt
13 Reform Act, in an amount not to exceed the debt service
14 extension base less the amount in items (b), (c), and (e) of
15 this definition for non-referendum obligations, except
16 obligations initially issued pursuant to referendum; (i) made
17 for payments of principal and interest on bonds issued under
18 Section 15 of the Local Government Debt Reform Act; (j) made
19 for a qualified airport authority to pay interest or principal
20 on general obligation bonds issued for the purpose of paying
21 obligations due under, or financing airport facilities
22 required to be acquired, constructed, installed or equipped
23 pursuant to, contracts entered into before March 1, 1996 (but
24 not including any amendments to such a contract taking effect
25 on or after that date); (k) made to fund expenses of providing
26 joint recreational programs for persons with disabilities

1 under Section 5-8 of the Park District Code or Section 11-95-14
2 of the Illinois Municipal Code; and (1) made for contributions
3 to a firefighter's pension fund created under Article 4 of the
4 Illinois Pension Code, to the extent of the amount certified
5 under item (5) of Section 4-134 of the Illinois Pension Code.

6 "Debt service extension base" means an amount equal to that
7 portion of the extension for a taxing district for the 1994
8 levy year, or for those taxing districts subject to this Law in
9 accordance with Section 18-213, except for those subject to
10 paragraph (2) of subsection (e) of Section 18-213, for the levy
11 year in which the referendum making this Law applicable to the
12 taxing district is held, or for those taxing districts subject
13 to this Law in accordance with paragraph (2) of subsection (e)
14 of Section 18-213 for the 1996 levy year, constituting an
15 extension for payment of principal and interest on bonds issued
16 by the taxing district without referendum, but not including
17 excluded non-referendum bonds. For park districts (i) that were
18 first subject to this Law in 1991 or 1995 and (ii) whose
19 extension for the 1994 levy year for the payment of principal
20 and interest on bonds issued by the park district without
21 referendum (but not including excluded non-referendum bonds)
22 was less than 51% of the amount for the 1991 levy year
23 constituting an extension for payment of principal and interest
24 on bonds issued by the park district without referendum (but
25 not including excluded non-referendum bonds), "debt service
26 extension base" means an amount equal to that portion of the

1 extension for the 1991 levy year constituting an extension for
2 payment of principal and interest on bonds issued by the park
3 district without referendum (but not including excluded
4 non-referendum bonds). A debt service extension base
5 established or increased at any time pursuant to any provision
6 of this Law, except Section 18-212, shall be increased each
7 year commencing with the later of (i) the 2009 levy year or
8 (ii) the first levy year in which this Law becomes applicable
9 to the taxing district, by the lesser of 5% or the percentage
10 increase in the Consumer Price Index during the 12-month
11 calendar year preceding the levy year. The debt service
12 extension base may be established or increased as provided
13 under Section 18-212. "Excluded non-referendum bonds" means
14 (i) bonds authorized by Public Act 88-503 and issued under
15 Section 20a of the Chicago Park District Act for aquarium and
16 museum projects; (ii) bonds issued under Section 15 of the
17 Local Government Debt Reform Act; or (iii) refunding
18 obligations issued to refund or to continue to refund
19 obligations initially issued pursuant to referendum.

20 "Special purpose extensions" include, but are not limited
21 to, extensions for levies made on an annual basis for
22 unemployment and workers' compensation, self-insurance,
23 contributions to pension plans, and extensions made pursuant to
24 Section 6-601 of the Illinois Highway Code for a road
25 district's permanent road fund whether levied annually or not.
26 The extension for a special service area is not included in the

1 aggregate extension.

2 "Aggregate extension base" means the taxing district's
3 last preceding aggregate extension as adjusted under Sections
4 18-135, 18-215, 18-230, and 18-206. An adjustment under Section
5 18-135 shall be made for the 2007 levy year and all subsequent
6 levy years whenever one or more counties within which a taxing
7 district is located (i) used estimated valuations or rates when
8 extending taxes in the taxing district for the last preceding
9 levy year that resulted in the over or under extension of
10 taxes, or (ii) increased or decreased the tax extension for the
11 last preceding levy year as required by Section 18-135(c).
12 Whenever an adjustment is required under Section 18-135, the
13 aggregate extension base of the taxing district shall be equal
14 to the amount that the aggregate extension of the taxing
15 district would have been for the last preceding levy year if
16 either or both (i) actual, rather than estimated, valuations or
17 rates had been used to calculate the extension of taxes for the
18 last levy year, or (ii) the tax extension for the last
19 preceding levy year had not been adjusted as required by
20 subsection (c) of Section 18-135.

21 Notwithstanding any other provision of law, for levy year
22 2012, the aggregate extension base for West Northfield School
23 District No. 31 in Cook County shall be \$12,654,592.

24 "Levy year" has the same meaning as "year" under Section
25 1-155.

26 "New property" means (i) the assessed value, after final

1 board of review or board of appeals action, of new improvements
2 or additions to existing improvements on any parcel of real
3 property that increase the assessed value of that real property
4 during the levy year multiplied by the equalization factor
5 issued by the Department under Section 17-30, (ii) the assessed
6 value, after final board of review or board of appeals action,
7 of real property not exempt from real estate taxation, which
8 real property was exempt from real estate taxation for any
9 portion of the immediately preceding levy year, multiplied by
10 the equalization factor issued by the Department under Section
11 17-30, including the assessed value, upon final stabilization
12 of occupancy after new construction is complete, of any real
13 property located within the boundaries of an otherwise or
14 previously exempt military reservation that is intended for
15 residential use and owned by or leased to a private corporation
16 or other entity, (iii) in counties that classify in accordance
17 with Section 4 of Article IX of the Illinois Constitution, an
18 incentive property's additional assessed value resulting from
19 a scheduled increase in the level of assessment as applied to
20 the first year final board of review market value, and (iv) any
21 increase in assessed value due to oil or gas production from an
22 oil or gas well required to be permitted under the Hydraulic
23 Fracturing Regulatory Act that was not produced in or accounted
24 for during the previous levy year. In addition, the county
25 clerk in a county containing a population of 3,000,000 or more
26 shall include in the 1997 recovered tax increment value for any

1 school district, any recovered tax increment value that was
2 applicable to the 1995 tax year calculations.

3 "Qualified airport authority" means an airport authority
4 organized under the Airport Authorities Act and located in a
5 county bordering on the State of Wisconsin and having a
6 population in excess of 200,000 and not greater than 500,000.

7 "Recovered tax increment value" means, except as otherwise
8 provided in this paragraph, the amount of the current year's
9 equalized assessed value, in the first year after a
10 municipality terminates the designation of an area as a
11 redevelopment project area previously established under the
12 Tax Increment Allocation Development Act in the Illinois
13 Municipal Code, previously established under the Industrial
14 Jobs Recovery Law in the Illinois Municipal Code, previously
15 established under the Economic Development Project Area Tax
16 Increment Act of 1995, or previously established under the
17 Economic Development Area Tax Increment Allocation Act, of each
18 taxable lot, block, tract, or parcel of real property in the
19 redevelopment project area over and above the initial equalized
20 assessed value of each property in the redevelopment project
21 area. For the taxes which are extended for the 1997 levy year,
22 the recovered tax increment value for a non-home rule taxing
23 district that first became subject to this Law for the 1995
24 levy year because a majority of its 1994 equalized assessed
25 value was in an affected county or counties shall be increased
26 if a municipality terminated the designation of an area in 1993

1 as a redevelopment project area previously established under
2 the Tax Increment Allocation Development Act in the Illinois
3 Municipal Code, previously established under the Industrial
4 Jobs Recovery Law in the Illinois Municipal Code, or previously
5 established under the Economic Development Area Tax Increment
6 Allocation Act, by an amount equal to the 1994 equalized
7 assessed value of each taxable lot, block, tract, or parcel of
8 real property in the redevelopment project area over and above
9 the initial equalized assessed value of each property in the
10 redevelopment project area. In the first year after a
11 municipality removes a taxable lot, block, tract, or parcel of
12 real property from a redevelopment project area established
13 under the Tax Increment Allocation Development Act in the
14 Illinois Municipal Code, the Industrial Jobs Recovery Law in
15 the Illinois Municipal Code, or the Economic Development Area
16 Tax Increment Allocation Act, "recovered tax increment value"
17 means the amount of the current year's equalized assessed value
18 of each taxable lot, block, tract, or parcel of real property
19 removed from the redevelopment project area over and above the
20 initial equalized assessed value of that real property before
21 removal from the redevelopment project area.

22 Except as otherwise provided in this Section, "limiting
23 rate" means a fraction the numerator of which is the last
24 preceding aggregate extension base times an amount equal to one
25 plus the extension limitation defined in this Section and the
26 denominator of which is the current year's equalized assessed

1 value of all real property in the territory under the
2 jurisdiction of the taxing district during the prior levy year.
3 For those taxing districts that reduced their aggregate
4 extension for the last preceding levy year, except for school
5 districts that reduced their extension for educational
6 purposes pursuant to Section 18-206, the highest aggregate
7 extension in any of the last 3 preceding levy years shall be
8 used for the purpose of computing the limiting rate. The
9 denominator shall not include new property or the recovered tax
10 increment value. If a new rate, a rate decrease, or a limiting
11 rate increase has been approved at an election held after March
12 21, 2006, then (i) the otherwise applicable limiting rate shall
13 be increased by the amount of the new rate or shall be reduced
14 by the amount of the rate decrease, as the case may be, or (ii)
15 in the case of a limiting rate increase, the limiting rate
16 shall be equal to the rate set forth in the proposition
17 approved by the voters for each of the years specified in the
18 proposition, after which the limiting rate of the taxing
19 district shall be calculated as otherwise provided. In the case
20 of a taxing district that obtained referendum approval for an
21 increased limiting rate on March 20, 2012, the limiting rate
22 for tax year 2012 shall be the rate that generates the
23 approximate total amount of taxes extendable for that tax year,
24 as set forth in the proposition approved by the voters; this
25 rate shall be the final rate applied by the county clerk for
26 the aggregate of all capped funds of the district for tax year

1 2012.

2 (Source: P.A. 99-143, eff. 7-27-15; 99-521, eff. 6-1-17;
3 100-465, eff. 8-31-17.)

4 (35 ILCS 200/18-205)

5 Sec. 18-205. Referendum to increase the extension
6 limitation. A taxing district is limited to an extension
7 limitation as defined in Section 18-185 ~~of 5% or the percentage~~
8 ~~increase in the Consumer Price Index during the 12 month~~
9 ~~calendar year preceding the levy year, whichever is less.~~ A
10 taxing district may increase its extension limitation for one
11 or more levy years if that taxing district holds a referendum
12 before the levy date for the first levy year at which a
13 majority of voters voting on the issue approves adoption of a
14 higher extension limitation. Referenda shall be conducted at a
15 regularly scheduled election in accordance with the Election
16 Code. The question shall be presented in substantially the
17 following manner ~~for all elections held after March 21, 2006:~~

18 Shall the extension limitation under the Property Tax
19 Extension Limitation Law for (insert the legal name,
20 number, if any, and county or counties of the taxing
21 district and geographic or other common name by which a
22 school or community college district is known and referred
23 to), Illinois, be increased from the lesser of 5% or the
24 percentage increase in the Consumer Price Index over the
25 prior levy year to (insert the percentage of the proposed

1 increase)% per year for (insert each levy year for which
2 the increased extension limitation will apply)?

3 In the case of a taxing district that had reserves of 50%
4 or more of its operating budget at the end of the immediately
5 preceding levy year, the question shall be presented in
6 substantially the following manner:

7 Shall the extension limitation under the Property Tax
8 Extension Limitation Law for (insert the legal name,
9 number, if any, and county or counties of the taxing
10 district and geographic or other common name by which a
11 school or community college district is known and referred
12 to), Illinois, be increased from 0% to (insert the
13 percentage of the proposed increase)% per year for (insert
14 each levy year for which the increased extension limitation
15 will apply)?

16 The votes must be recorded as "Yes" or "No".

17 If a majority of voters voting on the issue approves the
18 adoption of the increase, the increase shall be applicable for
19 each levy year specified.

20 The ballot for any question submitted pursuant to this
21 Section shall have printed thereon, but not as a part of the
22 question submitted, only the following supplemental
23 information (which shall be supplied to the election authority
24 by the taxing district) in substantially the following form:

25 (1) For the (insert the first levy year for which the
26 increased extension limitation will be applicable) levy

1 year the approximate amount of the additional tax
2 extendable against property containing a single family
3 residence and having a fair market value at the time of the
4 referendum of \$100,000 is estimated to be \$....

5 (2) Based upon an average annual percentage increase
6 (or decrease) in the market value of such property of ...%
7 (insert percentage equal to the average annual percentage
8 increase or decrease for the prior 3 levy years, at the
9 time the submission of the question is initiated by the
10 taxing district, in the amount of (A) the equalized
11 assessed value of the taxable property in the taxing
12 district less (B) the new property included in the
13 equalized assessed value), the approximate amount of the
14 additional tax extendable against such property for the ...
15 levy year is estimated to be \$... and for the ... levy year
16 is estimated to be \$....

17 Paragraph (2) shall be included only if the increased
18 extension limitation will be applicable for more than one year
19 and shall list each levy year for which the increased extension
20 limitation will be applicable. The additional tax shown for
21 each levy year shall be the approximate dollar amount of the
22 increase over the amount of the most recently completed
23 extension at the time the submission of the question is
24 initiated by the taxing district. The approximate amount of the
25 additional tax extendable shown in paragraphs (1) and (2) shall
26 be calculated by multiplying \$100,000 (the fair market value of

1 the property without regard to any property tax exemptions) by
2 (i) the percentage level of assessment prescribed for that
3 property by statute, or by ordinance of the county board in
4 counties that classify property for purposes of taxation in
5 accordance with Section 4 of Article IX of the Illinois
6 Constitution; (ii) the most recent final equalization factor
7 certified to the county clerk by the Department of Revenue at
8 the time the taxing district initiates the submission of the
9 proposition to the electors; (iii) the last known aggregate
10 extension base of the taxing district at the time the
11 submission of the question is initiated by the taxing district;
12 and (iv) the difference between the percentage increase
13 proposed in the question and (A) the lesser of 5% or the
14 percentage increase in the Consumer Price Index for the prior
15 levy year (or an estimate of the percentage increase for the
16 prior levy year if the increase is unavailable at the time the
17 submission of the question is initiated by the taxing district)
18 or (B) 0%, as applicable; and dividing the result by the last
19 known equalized assessed value of the taxing district at the
20 time the submission of the question is initiated by the taxing
21 district. This amendatory Act of the 97th General Assembly is
22 intended to clarify the existing requirements of this Section,
23 and shall not be construed to validate any prior non-compliant
24 referendum language. Any notice required to be published in
25 connection with the submission of the question shall also
26 contain this supplemental information and shall not contain any

1 other supplemental information. Any error, miscalculation, or
2 inaccuracy in computing any amount set forth on the ballot or
3 in the notice that is not deliberate shall not invalidate or
4 affect the validity of any proposition approved. Notice of the
5 referendum shall be published and posted as otherwise required
6 by law, and the submission of the question shall be initiated
7 as provided by law.

8 (Source: P.A. 97-1087, eff. 8-24-12.)

9 (35 ILCS 200/18-242 new)

10 Sec. 18-242. Home rule. This Division 5 is a limitation,
11 under subsection (g) of Section 6 of Article VII of the
12 Illinois Constitution, on the power of home rule units to tax.

13 Section 90. The State Mandates Act is amended by adding
14 Section 8.42 as follows:

15 (30 ILCS 805/8.42 new)

16 Sec. 8.42. Exempt mandate. Notwithstanding Sections 6 and 8
17 of this Act, no reimbursement by the State is required for the
18 implementation of any mandate created by this amendatory Act of
19 the 100th General Assembly.

20 Section 99. Effective date. This Act takes effect upon
21 becoming law.