

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 Section 18-180 as follows:

6 (35 ILCS 200/18-180)

7 Sec. 18-180. Abatement; urban decay.

8 (a) Except as provided below, a home rule municipality upon  
9 adoption of an ordinance by majority vote of its governing  
10 authority, may order the county clerk to abate, for a period  
11 not to exceed 10 years, any percentage of the taxes levied by  
12 the municipality and any other taxing district on each parcel  
13 of property located in an area of urban decay within the  
14 corporate limits of the municipality and upon which a newly  
15 constructed or newly remodeled single-family or duplex  
16 residential dwelling unit is located, except that the total  
17 abatement for any levy year shall not be in an amount in excess  
18 of 2% of the taxes extended by all taxing districts on all  
19 parcels located within the township that contain residential  
20 dwelling units of 6 units or less. In the case of a newly  
21 remodeled single-family or duplex residential dwelling unit,  
22 the amount of the abatement may not exceed the amount of  
23 property taxes attributable to the improvements. An abatement

1 adopted under this Section shall be extended to all subsequent  
2 owners of an eligible property during the abatement period. The  
3 ordinance shall provide that the same percentage abatement of  
4 taxes shall apply to all eligible property subject to the  
5 abatement ordinance, except that any abatement granted for any  
6 parcel that is within a redevelopment area created under  
7 Division 74.4 of Article 11 of the Illinois Municipal Code at  
8 the time the ordinance is adopted shall not exceed the amount  
9 of taxes allocable to taxing districts. No abatement adopted  
10 under this Section shall apply to a parcel of property if the  
11 owner does not live in the single-family or one of the duplex  
12 residential units. Before final adoption of an abatement  
13 ordinance under this Section, the governing authority of the  
14 home rule municipality shall notify by mail each affected  
15 taxing district of the pending ordinance. This Section does not  
16 apply to property annexed by a municipality after January 1,  
17 1989.

18 (b) The governing authority of each affected taxing  
19 district shall within 10 days appoint one member to serve on an  
20 Abatement Review Board to review the terms and conditions of  
21 the proposed abatement ordinance. The Board shall be convened  
22 by the mayor or village president of the municipality  
23 considering the abatement ordinance. The ordinance shall not be  
24 adopted less than 45 days after the Board is convened. Failure  
25 to appoint a member to the Board does not affect work of the  
26 Board. The Board shall report the findings and conclusions to

1 the governing authority of the municipality not later than 30  
2 days after it is convened.

3 (c) Any abatement granted under this Section shall be  
4 reduced in 20% increments annually during the last 4 years of  
5 the abatement period for the property.

6 (d) For purposes of this Section:

7 (1) "Area of urban decay" means an area demonstrating  
8 conditions of a "blighted area" or "conservation area" as  
9 defined by Section 11-74.4-3 of the Illinois Municipal  
10 Code, notwithstanding the minimum acreage requirement  
11 contained in the definition of a "redevelopment project  
12 area" under that Section. Qualifying factors of blight or  
13 conservation shall be defined as those present within the  
14 year prior to adoption of the ordinance designating the  
15 area of urban decay.

16 (2) "Duplex" means a 2 family residence that is not  
17 more than 2 stories plus a basement in height and is  
18 located on a single parcel of property.

19 (3) "Newly constructed" means constructed and ready  
20 for occupancy not earlier than one year before the date the  
21 municipality first orders the abatement for the parcel  
22 under this Section.

23 (4) "Newly remodeled" means that the property contains  
24 improvements that were completed not earlier than one year  
25 before the date the municipality first orders the abatement  
26 for the parcel under this Section.

1 (Source: P.A. 87-1189; 88-455.)