

1 AN ACT concerning local government.

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 18-185 as follows:

6 (35 ILCS 200/18-185)

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

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

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

17 "Affected county" means a county of 3,000,000 or more
18 inhabitants or a county contiguous to a county of 3,000,000 or
19 more inhabitants.

20 "Taxing district" has the same meaning provided in Section
21 1-150, except as otherwise provided in this Section. For the
22 1991 through 1994 levy years only, "taxing district" includes
23 only each non-home rule taxing district having the majority of

1 its 1990 equalized assessed value within any county or counties
2 contiguous to a county with 3,000,000 or more inhabitants.
3 Beginning with the 1995 levy year, "taxing district" includes
4 only each non-home rule taxing district subject to this Law
5 before the 1995 levy year and each non-home rule taxing
6 district not subject to this Law before the 1995 levy year
7 having the majority of its 1994 equalized assessed value in an
8 affected county or counties. Beginning with the levy year in
9 which this Law becomes applicable to a taxing district as
10 provided in Section 18-213, "taxing district" also includes
11 those taxing districts made subject to this Law as provided in
12 Section 18-213.

13 "Aggregate extension" for taxing districts to which this
14 Law applied before the 1995 levy year means the annual
15 corporate extension for the taxing district and those special
16 purpose extensions that are made annually for the taxing
17 district, excluding special purpose extensions: (a) made for
18 the taxing district to pay interest or principal on general
19 obligation bonds that were approved by referendum; (b) made for
20 any taxing district to pay interest or principal on general
21 obligation bonds issued before October 1, 1991; (c) made for
22 any taxing district to pay interest or principal on bonds
23 issued to refund or continue to refund those bonds issued
24 before October 1, 1991; (d) made for any taxing district to pay
25 interest or principal on bonds issued to refund or continue to
26 refund bonds issued after October 1, 1991 that were approved by

1 referendum; (e) made for any taxing district to pay interest or
2 principal on revenue bonds issued before October 1, 1991 for
3 payment of which a property tax levy or the full faith and
4 credit of the unit of local government is pledged; however, a
5 tax for the payment of interest or principal on those bonds
6 shall be made only after the governing body of the unit of
7 local government finds that all other sources for payment are
8 insufficient to make those payments; (f) made for payments
9 under a building commission lease when the lease payments are
10 for the retirement of bonds issued by the commission before
11 October 1, 1991, to pay for the building project; (g) made for
12 payments due under installment contracts entered into before
13 October 1, 1991; (h) made for payments of principal and
14 interest on bonds issued under the Metropolitan Water
15 Reclamation District Act to finance construction projects
16 initiated before October 1, 1991; (i) made for payments of
17 principal and interest on limited bonds, as defined in Section
18 3 of the Local Government Debt Reform Act, in an amount not to
19 exceed the debt service extension base less the amount in items
20 (b), (c), (e), and (h) of this definition for non-referendum
21 obligations, except obligations initially issued pursuant to
22 referendum; (j) made for payments of principal and interest on
23 bonds issued under Section 15 of the Local Government Debt
24 Reform Act; (k) made by a school district that participates in
25 the Special Education District of Lake County, created by
26 special education joint agreement under Section 10-22.31 of the

1 School Code, for payment of the school district's share of the
2 amounts required to be contributed by the Special Education
3 District of Lake County to the Illinois Municipal Retirement
4 Fund under Article 7 of the Illinois Pension Code; the amount
5 of any extension under this item (k) shall be certified by the
6 school district to the county clerk; (l) made to fund expenses
7 of providing joint recreational programs for persons with
8 disabilities under Section 5-8 of the Park District Code or
9 Section 11-95-14 of the Illinois Municipal Code; (m) made for
10 temporary relocation loan repayment purposes pursuant to
11 Sections 2-3.77 and 17-2.2d of the School Code; (n) made for
12 payment of principal and interest on any bonds issued under the
13 authority of Section 17-2.2d of the School Code; (o) made for
14 contributions to a firefighter's pension fund created under
15 Article 4 of the Illinois Pension Code, to the extent of the
16 amount certified under item (5) of Section 4-134 of the
17 Illinois Pension Code; and (p) made for road purposes in the
18 first year after a township assumes the rights, powers, duties,
19 assets, property, liabilities, obligations, and
20 responsibilities of a road district abolished under the
21 provisions of Section 6-133 of the Illinois Highway Code.

22 "Aggregate extension" for the taxing districts to which
23 this Law did not apply before the 1995 levy year (except taxing
24 districts subject to this Law in accordance with Section
25 18-213) means the annual corporate extension for the taxing
26 district and those special purpose extensions that are made

1 annually for the taxing district, excluding special purpose
2 extensions: (a) made for the taxing district to pay interest or
3 principal on general obligation bonds that were approved by
4 referendum; (b) made for any taxing district to pay interest or
5 principal on general obligation bonds issued before March 1,
6 1995; (c) made for any taxing district to pay interest or
7 principal on bonds issued to refund or continue to refund those
8 bonds issued before March 1, 1995; (d) made for any taxing
9 district to pay interest or principal on bonds issued to refund
10 or continue to refund bonds issued after March 1, 1995 that
11 were approved by referendum; (e) made for any taxing district
12 to pay interest or principal on revenue bonds issued before
13 March 1, 1995 for payment of which a property tax levy or the
14 full faith and credit of the unit of local government is
15 pledged; however, a tax for the payment of interest or
16 principal on those bonds shall be made only after the governing
17 body of the unit of local government finds that all other
18 sources for payment are insufficient to make those payments;
19 (f) made for payments under a building commission lease when
20 the lease payments are for the retirement of bonds issued by
21 the commission before March 1, 1995 to pay for the building
22 project; (g) made for payments due under installment contracts
23 entered into before March 1, 1995; (h) made for payments of
24 principal and interest on bonds issued under the Metropolitan
25 Water Reclamation District Act to finance construction
26 projects initiated before October 1, 1991; (h-4) made for

1 stormwater management purposes by the Metropolitan Water
2 Reclamation District of Greater Chicago under Section 12 of the
3 Metropolitan Water Reclamation District Act; (i) made for
4 payments of principal and interest on limited bonds, as defined
5 in Section 3 of the Local Government Debt Reform Act, in an
6 amount not to exceed the debt service extension base less the
7 amount in items (b), (c), and (e) of this definition for
8 non-referendum obligations, except obligations initially
9 issued pursuant to referendum and bonds described in subsection
10 (h) of this definition; (j) made for payments of principal and
11 interest on bonds issued under Section 15 of the Local
12 Government Debt Reform Act; (k) made for payments of principal
13 and interest on bonds authorized by Public Act 88-503 and
14 issued under Section 20a of the Chicago Park District Act for
15 aquarium or museum projects; (l) made for payments of principal
16 and interest on bonds authorized by Public Act 87-1191 or
17 93-601 and (i) issued pursuant to Section 21.2 of the Cook
18 County Forest Preserve District Act, (ii) issued under Section
19 42 of the Cook County Forest Preserve District Act for
20 zoological park projects, or (iii) issued under Section 44.1 of
21 the Cook County Forest Preserve District Act for botanical
22 gardens projects; (m) made pursuant to Section 34-53.5 of the
23 School Code, whether levied annually or not; (n) made to fund
24 expenses of providing joint recreational programs for persons
25 with disabilities under Section 5-8 of the Park District Code
26 or Section 11-95-14 of the Illinois Municipal Code; (o) made by

1 the Chicago Park District for recreational programs for persons
2 with disabilities under subsection (c) of Section 7.06 of the
3 Chicago Park District Act; (p) made for contributions to a
4 firefighter's pension fund created under Article 4 of the
5 Illinois Pension Code, to the extent of the amount certified
6 under item (5) of Section 4-134 of the Illinois Pension Code;
7 (q) made by Ford Heights School District 169 under Section
8 17-9.02 of the School Code; and (r) made for the purpose of
9 making employer contributions to the Public School Teachers'
10 Pension and Retirement Fund of Chicago under Section 34-53 of
11 the School Code.

12 "Aggregate extension" for all taxing districts to which
13 this Law applies in accordance with Section 18-213, except for
14 those taxing districts subject to paragraph (2) of subsection
15 (e) of Section 18-213, means the annual corporate extension for
16 the taxing district and those special purpose extensions that
17 are made annually for the taxing district, excluding special
18 purpose extensions: (a) made for the taxing district to pay
19 interest or principal on general obligation bonds that were
20 approved by referendum; (b) made for any taxing district to pay
21 interest or principal on general obligation bonds issued before
22 the date on which the referendum making this Law applicable to
23 the taxing district is held; (c) made for any taxing district
24 to pay interest or principal on bonds issued to refund or
25 continue to refund those bonds issued before the date on which
26 the referendum making this Law applicable to the taxing

1 district is held; (d) made for any taxing district to pay
2 interest or principal on bonds issued to refund or continue to
3 refund bonds issued after the date on which the referendum
4 making this Law applicable to the taxing district is held if
5 the bonds were approved by referendum after the date on which
6 the referendum making this Law applicable to the taxing
7 district is held; (e) made for any taxing district to pay
8 interest or principal on revenue bonds issued before the date
9 on which the referendum making this Law applicable to the
10 taxing district is held for payment of which a property tax
11 levy or the full faith and credit of the unit of local
12 government is pledged; however, a tax for the payment of
13 interest or principal on those bonds shall be made only after
14 the governing body of the unit of local government finds that
15 all other sources for payment are insufficient to make those
16 payments; (f) made for payments under a building commission
17 lease when the lease payments are for the retirement of bonds
18 issued by the commission before the date on which the
19 referendum making this Law applicable to the taxing district is
20 held to pay for the building project; (g) made for payments due
21 under installment contracts entered into before the date on
22 which the referendum making this Law applicable to the taxing
23 district is held; (h) made for payments of principal and
24 interest on limited bonds, as defined in Section 3 of the Local
25 Government Debt Reform Act, in an amount not to exceed the debt
26 service extension base less the amount in items (b), (c), and

1 (e) of this definition for non-referendum obligations, except
2 obligations initially issued pursuant to referendum; (i) made
3 for payments of principal and interest on bonds issued under
4 Section 15 of the Local Government Debt Reform Act; (j) made
5 for a qualified airport authority to pay interest or principal
6 on general obligation bonds issued for the purpose of paying
7 obligations due under, or financing airport facilities
8 required to be acquired, constructed, installed or equipped
9 pursuant to, contracts entered into before March 1, 1996 (but
10 not including any amendments to such a contract taking effect
11 on or after that date); (k) made to fund expenses of providing
12 joint recreational programs for persons with disabilities
13 under Section 5-8 of the Park District Code or Section 11-95-14
14 of the Illinois Municipal Code; (l) made for contributions to a
15 firefighter's pension fund created under Article 4 of the
16 Illinois Pension Code, to the extent of the amount certified
17 under item (5) of Section 4-134 of the Illinois Pension Code;
18 and (m) made for the taxing district to pay interest or
19 principal on general obligation bonds issued pursuant to
20 Section 19-3.10 of the School Code.

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

1 interest or principal on general obligation bonds that were
2 approved by referendum; (b) made for any taxing district to pay
3 interest or principal on general obligation bonds issued before
4 the effective date of this amendatory Act of 1997; (c) made for
5 any taxing district to pay interest or principal on bonds
6 issued to refund or continue to refund those bonds issued
7 before the effective date of this amendatory Act of 1997; (d)
8 made for any taxing district to pay interest or principal on
9 bonds issued to refund or continue to refund bonds issued after
10 the effective date of this amendatory Act of 1997 if the bonds
11 were approved by referendum after the effective date of this
12 amendatory Act of 1997; (e) made for any taxing district to pay
13 interest or principal on revenue bonds issued before the
14 effective date of this amendatory Act of 1997 for payment of
15 which a property tax levy or the full faith and credit of the
16 unit of local government is pledged; however, a tax for the
17 payment of interest or principal on those bonds shall be made
18 only after the governing body of the unit of local government
19 finds that all other sources for payment are insufficient to
20 make those payments; (f) made for payments under a building
21 commission lease when the lease payments are for the retirement
22 of bonds issued by the commission before the effective date of
23 this amendatory Act of 1997 to pay for the building project;
24 (g) made for payments due under installment contracts entered
25 into before the effective date of this amendatory Act of 1997;
26 (h) made for payments of principal and interest on limited

1 bonds, as defined in Section 3 of the Local Government Debt
2 Reform Act, in an amount not to exceed the debt service
3 extension base less the amount in items (b), (c), and (e) of
4 this definition for non-referendum obligations, except
5 obligations initially issued pursuant to referendum; (i) made
6 for payments of principal and interest on bonds issued under
7 Section 15 of the Local Government Debt Reform Act; (j) made
8 for a qualified airport authority to pay interest or principal
9 on general obligation bonds issued for the purpose of paying
10 obligations due under, or financing airport facilities
11 required to be acquired, constructed, installed or equipped
12 pursuant to, contracts entered into before March 1, 1996 (but
13 not including any amendments to such a contract taking effect
14 on or after that date); (k) made to fund expenses of providing
15 joint recreational programs for persons with disabilities
16 under Section 5-8 of the Park District Code or Section 11-95-14
17 of the Illinois Municipal Code; and (l) made for contributions
18 to a firefighter's pension fund created under Article 4 of the
19 Illinois Pension Code, to the extent of the amount certified
20 under item (5) of Section 4-134 of the Illinois Pension Code.

21 "Debt service extension base" means an amount equal to that
22 portion of the extension for a taxing district for the 1994
23 levy year, or for those taxing districts subject to this Law in
24 accordance with Section 18-213, except for those subject to
25 paragraph (2) of subsection (e) of Section 18-213, for the levy
26 year in which the referendum making this Law applicable to the

1 taxing district is held, or for those taxing districts subject
2 to this Law in accordance with paragraph (2) of subsection (e)
3 of Section 18-213 for the 1996 levy year, constituting an
4 extension for payment of principal and interest on bonds issued
5 by the taxing district without referendum, but not including
6 excluded non-referendum bonds. For park districts (i) that were
7 first subject to this Law in 1991 or 1995 and (ii) whose
8 extension for the 1994 levy year for the payment of principal
9 and interest on bonds issued by the park district without
10 referendum (but not including excluded non-referendum bonds)
11 was less than 51% of the amount for the 1991 levy year
12 constituting an extension for payment of principal and interest
13 on bonds issued by the park district without referendum (but
14 not including excluded non-referendum bonds), "debt service
15 extension base" means an amount equal to that portion of the
16 extension for the 1991 levy year constituting an extension for
17 payment of principal and interest on bonds issued by the park
18 district without referendum (but not including excluded
19 non-referendum bonds). A debt service extension base
20 established or increased at any time pursuant to any provision
21 of this Law, except Section 18-212, shall be increased each
22 year commencing with the later of (i) the 2009 levy year or
23 (ii) the first levy year in which this Law becomes applicable
24 to the taxing district, by the lesser of 5% or the percentage
25 increase in the Consumer Price Index during the 12-month
26 calendar year preceding the levy year. The debt service

1 extension base may be established or increased as provided
2 under Section 18-212. "Excluded non-referendum bonds" means
3 (i) bonds authorized by Public Act 88-503 and issued under
4 Section 20a of the Chicago Park District Act for aquarium and
5 museum projects; (ii) bonds issued under Section 15 of the
6 Local Government Debt Reform Act; or (iii) refunding
7 obligations issued to refund or to continue to refund
8 obligations initially issued pursuant to referendum.

9 "Special purpose extensions" include, but are not limited
10 to, extensions for levies made on an annual basis for
11 unemployment and workers' compensation, self-insurance,
12 contributions to pension plans, and extensions made pursuant to
13 Section 6-601 of the Illinois Highway Code for a road
14 district's permanent road fund whether levied annually or not.
15 The extension for a special service area is not included in the
16 aggregate extension.

17 "Aggregate extension base" means the taxing district's
18 last preceding aggregate extension as adjusted under Sections
19 18-135, 18-215, 18-230, and 18-206. An adjustment under Section
20 18-135 shall be made for the 2007 levy year and all subsequent
21 levy years whenever one or more counties within which a taxing
22 district is located (i) used estimated valuations or rates when
23 extending taxes in the taxing district for the last preceding
24 levy year that resulted in the over or under extension of
25 taxes, or (ii) increased or decreased the tax extension for the
26 last preceding levy year as required by Section 18-135(c).

1 Whenever an adjustment is required under Section 18-135, the
2 aggregate extension base of the taxing district shall be equal
3 to the amount that the aggregate extension of the taxing
4 district would have been for the last preceding levy year if
5 either or both (i) actual, rather than estimated, valuations or
6 rates had been used to calculate the extension of taxes for the
7 last levy year, or (ii) the tax extension for the last
8 preceding levy year had not been adjusted as required by
9 subsection (c) of Section 18-135.

10 Notwithstanding any other provision of law, for levy year
11 2012, the aggregate extension base for West Northfield School
12 District No. 31 in Cook County shall be \$12,654,592.

13 "Levy year" has the same meaning as "year" under Section
14 1-155.

15 "New property" means (i) the assessed value, after final
16 board of review or board of appeals action, of new improvements
17 or additions to existing improvements on any parcel of real
18 property that increase the assessed value of that real property
19 during the levy year multiplied by the equalization factor
20 issued by the Department under Section 17-30, (ii) the assessed
21 value, after final board of review or board of appeals action,
22 of real property not exempt from real estate taxation, which
23 real property was exempt from real estate taxation for any
24 portion of the immediately preceding levy year, multiplied by
25 the equalization factor issued by the Department under Section
26 17-30, including the assessed value, upon final stabilization

1 of occupancy after new construction is complete, of any real
2 property located within the boundaries of an otherwise or
3 previously exempt military reservation that is intended for
4 residential use and owned by or leased to a private corporation
5 or other entity, (iii) in counties that classify in accordance
6 with Section 4 of Article IX of the Illinois Constitution, an
7 incentive property's additional assessed value resulting from
8 a scheduled increase in the level of assessment as applied to
9 the first year final board of review market value, and (iv) any
10 increase in assessed value due to oil or gas production from an
11 oil or gas well required to be permitted under the Hydraulic
12 Fracturing Regulatory Act that was not produced in or accounted
13 for during the previous levy year. In addition, the county
14 clerk in a county containing a population of 3,000,000 or more
15 shall include in the 1997 recovered tax increment value for any
16 school district, any recovered tax increment value that was
17 applicable to the 1995 tax year calculations.

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

22 "Recovered tax increment value" means, except as otherwise
23 provided in this paragraph, the amount of the current year's
24 equalized assessed value, in the first year after a
25 municipality terminates the designation of an area as a
26 redevelopment project area previously established under the

1 Tax Increment Allocation Development Act in the Illinois
2 Municipal Code, previously established under the Industrial
3 Jobs Recovery Law in the Illinois Municipal Code, previously
4 established under the Economic Development Project Area Tax
5 Increment Act of 1995, or previously established under the
6 Economic Development Area Tax Increment Allocation Act, of each
7 taxable lot, block, tract, or parcel of real property in the
8 redevelopment project area over and above the initial equalized
9 assessed value of each property in the redevelopment project
10 area. If a municipality has failed to provide timely notice to
11 all taxing bodies of the termination of a redevelopment project
12 area under Section 11-74.4-8 of the Illinois Municipal Code and
13 the county clerk has been notified of that failure, then
14 "recovered tax increment value" means the amount of the current
15 year's equalized assessed value in the first year beginning at
16 least 60 days after the notice has been provided. For the taxes
17 which are extended for the 1997 levy year, the recovered tax
18 increment value for a non-home rule taxing district that first
19 became subject to this Law for the 1995 levy year because a
20 majority of its 1994 equalized assessed value was in an
21 affected county or counties shall be increased if a
22 municipality terminated the designation of an area in 1993 as a
23 redevelopment project area previously established under the
24 Tax Increment Allocation Development Act in the Illinois
25 Municipal Code, previously established under the Industrial
26 Jobs Recovery Law in the Illinois Municipal Code, or previously

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

18 Except as otherwise provided in this Section, "limiting
19 rate" means a fraction the numerator of which is the last
20 preceding aggregate extension base times an amount equal to one
21 plus the extension limitation defined in this Section and the
22 denominator of which is the current year's equalized assessed
23 value of all real property in the territory under the
24 jurisdiction of the taxing district during the prior levy year.
25 For those taxing districts that reduced their aggregate
26 extension for the last preceding levy year, except for school

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

24 (Source: P.A. 99-143, eff. 7-27-15; 99-521, eff. 6-1-17;
25 100-465, eff. 8-31-17.)

1 Section 10. The Illinois Municipal Code is amended by
2 changing Section 11-74.4-8 as follows:

3 (65 ILCS 5/11-74.4-8) (from Ch. 24, par. 11-74.4-8)

4 Sec. 11-74.4-8. Tax increment allocation financing. A
5 municipality may not adopt tax increment financing in a
6 redevelopment project area after the effective date of this
7 amendatory Act of 1997 that will encompass an area that is
8 currently included in an enterprise zone created under the
9 Illinois Enterprise Zone Act unless that municipality,
10 pursuant to Section 5.4 of the Illinois Enterprise Zone Act,
11 amends the enterprise zone designating ordinance to limit the
12 eligibility for tax abatements as provided in Section 5.4.1 of
13 the Illinois Enterprise Zone Act. A municipality, at the time a
14 redevelopment project area is designated, may adopt tax
15 increment allocation financing by passing an ordinance
16 providing that the ad valorem taxes, if any, arising from the
17 levies upon taxable real property in such redevelopment project
18 area by taxing districts and tax rates determined in the manner
19 provided in paragraph (c) of Section 11-74.4-9 each year after
20 the effective date of the ordinance until redevelopment project
21 costs and all municipal obligations financing redevelopment
22 project costs incurred under this Division have been paid shall
23 be divided as follows, provided, however, that with respect to
24 any redevelopment project area located within a transit
25 facility improvement area established pursuant to Section

1 11-74.4-3.3 in a municipality with a population of 1,000,000 or
2 more, ad valorem taxes, if any, arising from the levies upon
3 taxable real property in such redevelopment project area shall
4 be allocated as specifically provided in this Section:

5 (a) That portion of taxes levied upon each taxable lot,
6 block, tract or parcel of real property which is
7 attributable to the lower of the current equalized assessed
8 value or the initial equalized assessed value of each such
9 taxable lot, block, tract or parcel of real property in the
10 redevelopment project area shall be allocated to and when
11 collected shall be paid by the county collector to the
12 respective affected taxing districts in the manner
13 required by law in the absence of the adoption of tax
14 increment allocation financing.

15 (b) Except from a tax levied by a township to retire
16 bonds issued to satisfy court-ordered damages, that
17 portion, if any, of such taxes which is attributable to the
18 increase in the current equalized assessed valuation of
19 each taxable lot, block, tract or parcel of real property
20 in the redevelopment project area over and above the
21 initial equalized assessed value of each property in the
22 project area shall be allocated to and when collected shall
23 be paid to the municipal treasurer who shall deposit said
24 taxes into a special fund called the special tax allocation
25 fund of the municipality for the purpose of paying
26 redevelopment project costs and obligations incurred in

1 the payment thereof. In any county with a population of
2 3,000,000 or more that has adopted a procedure for
3 collecting taxes that provides for one or more of the
4 installments of the taxes to be billed and collected on an
5 estimated basis, the municipal treasurer shall be paid for
6 deposit in the special tax allocation fund of the
7 municipality, from the taxes collected from estimated
8 bills issued for property in the redevelopment project
9 area, the difference between the amount actually collected
10 from each taxable lot, block, tract, or parcel of real
11 property within the redevelopment project area and an
12 amount determined by multiplying the rate at which taxes
13 were last extended against the taxable lot, block, track,
14 or parcel of real property in the manner provided in
15 subsection (c) of Section 11-74.4-9 by the initial
16 equalized assessed value of the property divided by the
17 number of installments in which real estate taxes are
18 billed and collected within the county; provided that the
19 payments on or before December 31, 1999 to a municipal
20 treasurer shall be made only if each of the following
21 conditions are met:

22 (1) The total equalized assessed value of the
23 redevelopment project area as last determined was not
24 less than 175% of the total initial equalized assessed
25 value.

26 (2) Not more than 50% of the total equalized

1 assessed value of the redevelopment project area as
2 last determined is attributable to a piece of property
3 assigned a single real estate index number.

4 (3) The municipal clerk has certified to the county
5 clerk that the municipality has issued its obligations
6 to which there has been pledged the incremental
7 property taxes of the redevelopment project area or
8 taxes levied and collected on any or all property in
9 the municipality or the full faith and credit of the
10 municipality to pay or secure payment for all or a
11 portion of the redevelopment project costs. The
12 certification shall be filed annually no later than
13 September 1 for the estimated taxes to be distributed
14 in the following year; however, for the year 1992 the
15 certification shall be made at any time on or before
16 March 31, 1992.

17 (4) The municipality has not requested that the
18 total initial equalized assessed value of real
19 property be adjusted as provided in subsection (b) of
20 Section 11-74.4-9.

21 The conditions of paragraphs (1) through (4) do not
22 apply after December 31, 1999 to payments to a municipal
23 treasurer made by a county with 3,000,000 or more
24 inhabitants that has adopted an estimated billing
25 procedure for collecting taxes. If a county that has
26 adopted the estimated billing procedure makes an erroneous

1 overpayment of tax revenue to the municipal treasurer, then
2 the county may seek a refund of that overpayment. The
3 county shall send the municipal treasurer a notice of
4 liability for the overpayment on or before the mailing date
5 of the next real estate tax bill within the county. The
6 refund shall be limited to the amount of the overpayment.

7 It is the intent of this Division that after the
8 effective date of this amendatory Act of 1988 a
9 municipality's own ad valorem tax arising from levies on
10 taxable real property be included in the determination of
11 incremental revenue in the manner provided in paragraph (c)
12 of Section 11-74.4-9. If the municipality does not extend
13 such a tax, it shall annually deposit in the municipality's
14 Special Tax Increment Fund an amount equal to 10% of the
15 total contributions to the fund from all other taxing
16 districts in that year. The annual 10% deposit required by
17 this paragraph shall be limited to the actual amount of
18 municipally produced incremental tax revenues available to
19 the municipality from taxpayers located in the
20 redevelopment project area in that year if: (a) the plan
21 for the area restricts the use of the property primarily to
22 industrial purposes, (b) the municipality establishing the
23 redevelopment project area is a home-rule community with a
24 1990 population of between 25,000 and 50,000, (c) the
25 municipality is wholly located within a county with a 1990
26 population of over 750,000 and (d) the redevelopment

1 project area was established by the municipality prior to
2 June 1, 1990. This payment shall be in lieu of a
3 contribution of ad valorem taxes on real property. If no
4 such payment is made, any redevelopment project area of the
5 municipality shall be dissolved.

6 If a municipality has adopted tax increment allocation
7 financing by ordinance and the County Clerk thereafter
8 certifies the "total initial equalized assessed value as
9 adjusted" of the taxable real property within such
10 redevelopment project area in the manner provided in
11 paragraph (b) of Section 11-74.4-9, each year after the
12 date of the certification of the total initial equalized
13 assessed value as adjusted until redevelopment project
14 costs and all municipal obligations financing
15 redevelopment project costs have been paid the ad valorem
16 taxes, if any, arising from the levies upon the taxable
17 real property in such redevelopment project area by taxing
18 districts and tax rates determined in the manner provided
19 in paragraph (c) of Section 11-74.4-9 shall be divided as
20 follows, provided, however, that with respect to any
21 redevelopment project area located within a transit
22 facility improvement area established pursuant to Section
23 11-74.4-3.3 in a municipality with a population of
24 1,000,000 or more, ad valorem taxes, if any, arising from
25 the levies upon the taxable real property in such
26 redevelopment project area shall be allocated as

1 specifically provided in this Section:

2 (1) That portion of the taxes levied upon each
3 taxable lot, block, tract or parcel of real property
4 which is attributable to the lower of the current
5 equalized assessed value or "current equalized
6 assessed value as adjusted" or the initial equalized
7 assessed value of each such taxable lot, block, tract,
8 or parcel of real property existing at the time tax
9 increment financing was adopted, minus the total
10 current homestead exemptions under Article 15 of the
11 Property Tax Code in the redevelopment project area
12 shall be allocated to and when collected shall be paid
13 by the county collector to the respective affected
14 taxing districts in the manner required by law in the
15 absence of the adoption of tax increment allocation
16 financing.

17 (2) That portion, if any, of such taxes which is
18 attributable to the increase in the current equalized
19 assessed valuation of each taxable lot, block, tract,
20 or parcel of real property in the redevelopment project
21 area, over and above the initial equalized assessed
22 value of each property existing at the time tax
23 increment financing was adopted, minus the total
24 current homestead exemptions pertaining to each piece
25 of property provided by Article 15 of the Property Tax
26 Code in the redevelopment project area, shall be

1 allocated to and when collected shall be paid to the
2 municipal Treasurer, who shall deposit said taxes into
3 a special fund called the special tax allocation fund
4 of the municipality for the purpose of paying
5 redevelopment project costs and obligations incurred
6 in the payment thereof.

7 The municipality may pledge in the ordinance the funds
8 in and to be deposited in the special tax allocation fund
9 for the payment of such costs and obligations. No part of
10 the current equalized assessed valuation of each property
11 in the redevelopment project area attributable to any
12 increase above the total initial equalized assessed value,
13 or the total initial equalized assessed value as adjusted,
14 of such properties shall be used in calculating the general
15 State aid formula, provided for in Section 18-8 of the
16 School Code, or the evidence-based funding formula,
17 provided for in Section 18-8.15 of the School Code, until
18 such time as all redevelopment project costs have been paid
19 as provided for in this Section.

20 Whenever a municipality issues bonds for the purpose of
21 financing redevelopment project costs, such municipality
22 may provide by ordinance for the appointment of a trustee,
23 which may be any trust company within the State, and for
24 the establishment of such funds or accounts to be
25 maintained by such trustee as the municipality shall deem
26 necessary to provide for the security and payment of the

1 bonds. If such municipality provides for the appointment of
2 a trustee, such trustee shall be considered the assignee of
3 any payments assigned by the municipality pursuant to such
4 ordinance and this Section. Any amounts paid to such
5 trustee as assignee shall be deposited in the funds or
6 accounts established pursuant to such trust agreement, and
7 shall be held by such trustee in trust for the benefit of
8 the holders of the bonds, and such holders shall have a
9 lien on and a security interest in such funds or accounts
10 so long as the bonds remain outstanding and unpaid. Upon
11 retirement of the bonds, the trustee shall pay over any
12 excess amounts held to the municipality for deposit in the
13 special tax allocation fund.

14 When such redevelopment projects costs, including
15 without limitation all municipal obligations financing
16 redevelopment project costs incurred under this Division,
17 have been paid, all surplus funds then remaining in the
18 special tax allocation fund shall be distributed by being
19 paid by the municipal treasurer to the Department of
20 Revenue, the municipality and the county collector; first
21 to the Department of Revenue and the municipality in direct
22 proportion to the tax incremental revenue received from the
23 State and the municipality, but not to exceed the total
24 incremental revenue received from the State or the
25 municipality less any annual surplus distribution of
26 incremental revenue previously made; with any remaining

1 funds to be paid to the County Collector who shall
2 immediately thereafter pay said funds to the taxing
3 districts in the redevelopment project area in the same
4 manner and proportion as the most recent distribution by
5 the county collector to the affected districts of real
6 property taxes from real property in the redevelopment
7 project area.

8 Upon the payment of all redevelopment project costs,
9 the retirement of obligations, the distribution of any
10 excess monies pursuant to this Section, and final closing
11 of the books and records of the redevelopment project area,
12 the municipality, if it has not already done so, shall
13 adopt an ordinance dissolving the special tax allocation
14 fund for the redevelopment project area and terminating the
15 designation of the redevelopment project area as a
16 redevelopment project area. Title to real or personal
17 property and public improvements acquired by or for the
18 municipality as a result of the redevelopment project and
19 plan shall vest in the municipality when acquired and shall
20 continue to be held by the municipality after the
21 redevelopment project area has been terminated.
22 Municipalities shall notify affected taxing districts
23 prior to July 1 ~~November 1~~ if the redevelopment project
24 area is to be terminated by December 31 of that same year.
25 If a municipality extends estimated dates of completion of
26 a redevelopment project and retirement of obligations to

1 finance a redevelopment project, as allowed by this
2 amendatory Act of 1993, that extension shall not extend the
3 property tax increment allocation financing authorized by
4 this Section. Thereafter the rates of the taxing districts
5 shall be extended and taxes levied, collected and
6 distributed in the manner applicable in the absence of the
7 adoption of tax increment allocation financing.

8 After the effective date of this amendatory Act of the
9 101st General Assembly, any new ordinance adopting tax
10 increment financing in a redevelopment project area shall
11 specify a date for the dissolution of the special tax
12 allocation fund for the redevelopment project area and a
13 date for the termination of the designation of the
14 redevelopment project area as a redevelopment project
15 area. The municipality may amend the ordinance at any time
16 to change the date of termination. No later than 90 days
17 after the effective date of this amendatory Act of the
18 101st General Assembly, each municipality shall amend all
19 existing tax increment financing ordinances to specify a
20 date for the dissolution of the special tax allocation fund
21 for the redevelopment project area and a date for
22 termination of the designation of the redevelopment
23 project area as a redevelopment project area. The date of
24 termination as originally designated or designated by the
25 amendment of the ordinance shall be consistent with the
26 terms of Section 11-74.4-3.5.

1 If a municipality with a population of 1,000,000 or
2 more has adopted by ordinance tax increment allocation
3 financing for a redevelopment project area located in a
4 transit facility improvement area established pursuant to
5 Section 11-74.4-3.3, for each year after the effective date
6 of the ordinance until redevelopment project costs and all
7 municipal obligations financing redevelopment project
8 costs have been paid, the ad valorem taxes, if any, arising
9 from the levies upon the taxable real property in that
10 redevelopment project area by taxing districts and tax
11 rates determined in the manner provided in paragraph (c) of
12 Section 11-74.4-9 shall be divided as follows:

13 (1) That portion of the taxes levied upon each
14 taxable lot, block, tract or parcel of real property
15 which is attributable to the lower of (i) the current
16 equalized assessed value or "current equalized
17 assessed value as adjusted" or (ii) the initial
18 equalized assessed value of each such taxable lot,
19 block, tract, or parcel of real property existing at
20 the time tax increment financing was adopted, minus the
21 total current homestead exemptions under Article 15 of
22 the Property Tax Code in the redevelopment project area
23 shall be allocated to and when collected shall be paid
24 by the county collector to the respective affected
25 taxing districts in the manner required by law in the
26 absence of the adoption of tax increment allocation

1 financing.

2 (2) That portion, if any, of such taxes which is
3 attributable to the increase in the current equalized
4 assessed valuation of each taxable lot, block, tract,
5 or parcel of real property in the redevelopment project
6 area, over and above the initial equalized assessed
7 value of each property existing at the time tax
8 increment financing was adopted, minus the total
9 current homestead exemptions pertaining to each piece
10 of property provided by Article 15 of the Property Tax
11 Code in the redevelopment project area, shall be
12 allocated to and when collected shall be paid by the
13 county collector as follows:

14 (A) First, that portion which would be payable
15 to a school district whose boundaries are
16 coterminous with such municipality in the absence
17 of the adoption of tax increment allocation
18 financing, shall be paid to such school district in
19 the manner required by law in the absence of the
20 adoption of tax increment allocation financing;
21 then

22 (B) 80% of the remaining portion shall be paid
23 to the municipal Treasurer, who shall deposit said
24 taxes into a special fund called the special tax
25 allocation fund of the municipality for the
26 purpose of paying redevelopment project costs and

1 obligations incurred in the payment thereof; and
2 then

3 (C) 20% of the remaining portion shall be paid
4 to the respective affected taxing districts, other
5 than the school district described in clause (a)
6 above, in the manner required by law in the absence
7 of the adoption of tax increment allocation
8 financing.

9 Nothing in this Section shall be construed as relieving
10 property in such redevelopment project areas from being
11 assessed as provided in the Property Tax Code or as relieving
12 owners of such property from paying a uniform rate of taxes, as
13 required by Section 4 of Article IX of the Illinois
14 Constitution.

15 (Source: P.A. 99-792, eff. 8-12-16; 100-465, eff. 8-31-17.)