



Sen. Chuck Weaver

Filed: 4/4/2019

10100SB1035sam001

LRB101 06530 HLH 58925 a

1 AMENDMENT TO SENATE BILL 1035

2 AMENDMENT NO. _____. Amend Senate Bill 1035 by replacing
3 everything after the enacting clause with the following:

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.

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.

20 "Aggregate extension" for taxing districts to which this
21 Law applied before the 1995 levy year means the annual
22 corporate extension for the taxing district and those special
23 purpose extensions that are made annually for the taxing
24 district, excluding special purpose extensions: (a) made for
25 the taxing district to pay interest or principal on general
26 obligation bonds that were approved by referendum; (b) made for

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

1 (b), (c), (e), and (h) of this definition for non-referendum
2 obligations, except obligations initially issued pursuant to
3 referendum; (j) made for payments of principal and interest on
4 bonds issued under Section 15 of the Local Government Debt
5 Reform Act; (k) made by a school district that participates in
6 the Special Education District of Lake County, created by
7 special education joint agreement under Section 10-22.31 of the
8 School Code, for payment of the school district's share of the
9 amounts required to be contributed by the Special Education
10 District of Lake County to the Illinois Municipal Retirement
11 Fund under Article 7 of the Illinois Pension Code; the amount
12 of any extension under this item (k) shall be certified by the
13 school district to the county clerk; (l) made to fund expenses
14 of providing joint recreational programs for persons with
15 disabilities under Section 5-8 of the Park District Code or
16 Section 11-95-14 of the Illinois Municipal Code; (m) made for
17 temporary relocation loan repayment purposes pursuant to
18 Sections 2-3.77 and 17-2.2d of the School Code; (n) made for
19 payment of principal and interest on any bonds issued under the
20 authority of Section 17-2.2d of the School Code; (o) made for
21 contributions to a firefighter's pension fund created under
22 Article 4 of the Illinois Pension Code, to the extent of the
23 amount certified under item (5) of Section 4-134 of the
24 Illinois Pension Code; and (p) made for road purposes in the
25 first year after a township assumes the rights, powers, duties,
26 assets, property, liabilities, obligations, and

1 responsibilities of a road district abolished under the
2 provisions of Section 6-133 of the Illinois Highway Code.

3 "Aggregate extension" for the taxing districts to which
4 this Law did not apply before the 1995 levy year (except taxing
5 districts subject to this Law in accordance with Section
6 18-213) means the annual corporate extension for the taxing
7 district and those special purpose extensions that are made
8 annually for the taxing district, excluding special purpose
9 extensions: (a) made for the taxing district to pay interest or
10 principal on general obligation bonds that were approved by
11 referendum; (b) made for any taxing district to pay interest or
12 principal on general obligation bonds issued before March 1,
13 1995; (c) made for any taxing district to pay interest or
14 principal on bonds issued to refund or continue to refund those
15 bonds issued before March 1, 1995; (d) made for any taxing
16 district to pay interest or principal on bonds issued to refund
17 or continue to refund bonds issued after March 1, 1995 that
18 were approved by referendum; (e) made for any taxing district
19 to pay interest or principal on revenue bonds issued before
20 March 1, 1995 for payment of which a property tax levy or the
21 full faith and credit of the unit of local government is
22 pledged; however, a tax for the payment of interest or
23 principal on those bonds shall be made only after the governing
24 body of the unit of local government finds that all other
25 sources for payment are insufficient to make those payments;
26 (f) made for payments under a building commission lease when

1 the lease payments are for the retirement of bonds issued by
2 the commission before March 1, 1995 to pay for the building
3 project; (g) made for payments due under installment contracts
4 entered into before March 1, 1995; (h) made for payments of
5 principal and interest on bonds issued under the Metropolitan
6 Water Reclamation District Act to finance construction
7 projects initiated before October 1, 1991; (h-4) made for
8 stormwater management purposes by the Metropolitan Water
9 Reclamation District of Greater Chicago under Section 12 of the
10 Metropolitan Water Reclamation District Act; (i) made for
11 payments of principal and interest on limited bonds, as defined
12 in Section 3 of the Local Government Debt Reform Act, in an
13 amount not to exceed the debt service extension base less the
14 amount in items (b), (c), and (e) of this definition for
15 non-referendum obligations, except obligations initially
16 issued pursuant to referendum and bonds described in subsection
17 (h) of this definition; (j) made for payments of principal and
18 interest on bonds issued under Section 15 of the Local
19 Government Debt Reform Act; (k) made for payments of principal
20 and interest on bonds authorized by Public Act 88-503 and
21 issued under Section 20a of the Chicago Park District Act for
22 aquarium or museum projects; (l) made for payments of principal
23 and interest on bonds authorized by Public Act 87-1191 or
24 93-601 and (i) issued pursuant to Section 21.2 of the Cook
25 County Forest Preserve District Act, (ii) issued under Section
26 42 of the Cook County Forest Preserve District Act for

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

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

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

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

1 Section 19-3.10 of the School Code.

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

1 make those payments; (f) made for payments under a building
2 commission lease when the lease payments are for the retirement
3 of bonds issued by the commission before the effective date of
4 this amendatory Act of 1997 to pay for the building project;
5 (g) made for payments due under installment contracts entered
6 into before the effective date of this amendatory Act of 1997;
7 (h) made for payments of principal and interest on limited
8 bonds, as defined in Section 3 of the Local Government Debt
9 Reform Act, in an amount not to exceed the debt service
10 extension base less the amount in items (b), (c), and (e) of
11 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; and (l) made for contributions
25 to a 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 "Debt service extension base" means an amount equal to that
3 portion of the extension for a taxing district for the 1994
4 levy year, or for those taxing districts subject to this Law in
5 accordance with Section 18-213, except for those subject to
6 paragraph (2) of subsection (e) of Section 18-213, for the levy
7 year in which the referendum making this Law applicable to the
8 taxing district is held, or for those taxing districts subject
9 to this Law in accordance with paragraph (2) of subsection (e)
10 of Section 18-213 for the 1996 levy year, constituting an
11 extension for payment of principal and interest on bonds issued
12 by the taxing district without referendum, but not including
13 excluded non-referendum bonds. For park districts (i) that were
14 first subject to this Law in 1991 or 1995 and (ii) whose
15 extension for the 1994 levy year for the payment of principal
16 and interest on bonds issued by the park district without
17 referendum (but not including excluded non-referendum bonds)
18 was less than 51% of the amount for the 1991 levy year
19 constituting an extension for payment of principal and interest
20 on bonds issued by the park district without referendum (but
21 not including excluded non-referendum bonds), "debt service
22 extension base" means an amount equal to that portion of the
23 extension for the 1991 levy year constituting an extension for
24 payment of principal and interest on bonds issued by the park
25 district without referendum (but not including excluded
26 non-referendum bonds). A debt service extension base

1 established or increased at any time pursuant to any provision
2 of this Law, except Section 18-212, shall be increased each
3 year commencing with the later of (i) the 2009 levy year or
4 (ii) the first levy year in which this Law becomes applicable
5 to the taxing district, by the lesser of 5% or the percentage
6 increase in the Consumer Price Index during the 12-month
7 calendar year preceding the levy year. The debt service
8 extension base may be established or increased as provided
9 under Section 18-212. "Excluded non-referendum bonds" means
10 (i) bonds authorized by Public Act 88-503 and issued under
11 Section 20a of the Chicago Park District Act for aquarium and
12 museum projects; (ii) bonds issued under Section 15 of the
13 Local Government Debt Reform Act; or (iii) refunding
14 obligations issued to refund or to continue to refund
15 obligations initially issued pursuant to referendum.

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

24 "Aggregate extension base" means the taxing district's
25 last preceding aggregate extension as adjusted under Sections
26 18-135, 18-215, 18-230, and 18-206. An adjustment under Section

1 18-135 shall be made for the 2007 levy year and all subsequent
2 levy years whenever one or more counties within which a taxing
3 district is located (i) used estimated valuations or rates when
4 extending taxes in the taxing district for the last preceding
5 levy year that resulted in the over or under extension of
6 taxes, or (ii) increased or decreased the tax extension for the
7 last preceding levy year as required by Section 18-135(c).
8 Whenever an adjustment is required under Section 18-135, the
9 aggregate extension base of the taxing district shall be equal
10 to the amount that the aggregate extension of the taxing
11 district would have been for the last preceding levy year if
12 either or both (i) actual, rather than estimated, valuations or
13 rates had been used to calculate the extension of taxes for the
14 last levy year, or (ii) the tax extension for the last
15 preceding levy year had not been adjusted as required by
16 subsection (c) of Section 18-135.

17 Notwithstanding any other provision of law, for levy year
18 2012, the aggregate extension base for West Northfield School
19 District No. 31 in Cook County shall be \$12,654,592.

20 "Levy year" has the same meaning as "year" under Section
21 1-155.

22 "New property" means (i) the assessed value, after final
23 board of review or board of appeals action, of new improvements
24 or additions to existing improvements on any parcel of real
25 property that increase the assessed value of that real property
26 during the levy year multiplied by the equalization factor

1 issued by the Department under Section 17-30, (ii) the assessed
2 value, after final board of review or board of appeals action,
3 of real property not exempt from real estate taxation, which
4 real property was exempt from real estate taxation for any
5 portion of the immediately preceding levy year, multiplied by
6 the equalization factor issued by the Department under Section
7 17-30, including the assessed value, upon final stabilization
8 of occupancy after new construction is complete, of any real
9 property located within the boundaries of an otherwise or
10 previously exempt military reservation that is intended for
11 residential use and owned by or leased to a private corporation
12 or other entity, (iii) in counties that classify in accordance
13 with Section 4 of Article IX of the Illinois Constitution, an
14 incentive property's additional assessed value resulting from
15 a scheduled increase in the level of assessment as applied to
16 the first year final board of review market value, and (iv) any
17 increase in assessed value due to oil or gas production from an
18 oil or gas well required to be permitted under the Hydraulic
19 Fracturing Regulatory Act that was not produced in or accounted
20 for during the previous levy year. In addition, the county
21 clerk in a county containing a population of 3,000,000 or more
22 shall include in the 1997 recovered tax increment value for any
23 school district, any recovered tax increment value that was
24 applicable to the 1995 tax year calculations.

25 "Qualified airport authority" means an airport authority
26 organized under the Airport Authorities Act and located in a

1 county bordering on the State of Wisconsin and having a
2 population in excess of 200,000 and not greater than 500,000.

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

1 majority of its 1994 equalized assessed value was in an
2 affected county or counties shall be increased if a
3 municipality terminated the designation of an area in 1993 as a
4 redevelopment project area previously established under the
5 Tax Increment Allocation Development Act in the Illinois
6 Municipal Code, previously established under the Industrial
7 Jobs Recovery Law in the Illinois Municipal Code, or previously
8 established under the Economic Development Area Tax Increment
9 Allocation Act, by an amount equal to the 1994 equalized
10 assessed value of each taxable lot, block, tract, or parcel of
11 real property in the redevelopment project area over and above
12 the initial equalized assessed value of each property in the
13 redevelopment project area. In the first year after a
14 municipality removes a taxable lot, block, tract, or parcel of
15 real property from a redevelopment project area established
16 under the Tax Increment Allocation Development Act in the
17 Illinois Municipal Code, the Industrial Jobs Recovery Law in
18 the Illinois Municipal Code, or the Economic Development Area
19 Tax Increment Allocation Act, "recovered tax increment value"
20 means the amount of the current year's equalized assessed value
21 of each taxable lot, block, tract, or parcel of real property
22 removed from the redevelopment project area over and above the
23 initial equalized assessed value of that real property before
24 removal from the redevelopment project area.

25 Except as otherwise provided in this Section, "limiting
26 rate" means a fraction the numerator of which is the last

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

1 as set forth in the proposition approved by the voters; this
2 rate shall be the final rate applied by the county clerk for
3 the aggregate of all capped funds of the district for tax year
4 2012.

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

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

9 (65 ILCS 5/11-74.4-8) (from Ch. 24, par. 11-74.4-8)

10 Sec. 11-74.4-8. Tax increment allocation financing. A
11 municipality may not adopt tax increment financing in a
12 redevelopment project area after the effective date of this
13 amendatory Act of 1997 that will encompass an area that is
14 currently included in an enterprise zone created under the
15 Illinois Enterprise Zone Act unless that municipality,
16 pursuant to Section 5.4 of the Illinois Enterprise Zone Act,
17 amends the enterprise zone designating ordinance to limit the
18 eligibility for tax abatements as provided in Section 5.4.1 of
19 the Illinois Enterprise Zone Act. A municipality, at the time a
20 redevelopment project area is designated, may adopt tax
21 increment allocation financing by passing an ordinance
22 providing that the ad valorem taxes, if any, arising from the
23 levies upon taxable real property in such redevelopment project
24 area by taxing districts and tax rates determined in the manner

1 provided in paragraph (c) of Section 11-74.4-9 each year after
2 the effective date of the ordinance until redevelopment project
3 costs and all municipal obligations financing redevelopment
4 project costs incurred under this Division have been paid shall
5 be divided as follows, provided, however, that with respect to
6 any redevelopment project area located within a transit
7 facility improvement area established pursuant to Section
8 11-74.4-3.3 in a municipality with a population of 1,000,000 or
9 more, ad valorem taxes, if any, arising from the levies upon
10 taxable real property in such redevelopment project area shall
11 be allocated as specifically provided in this Section:

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

22 (b) Except from a tax levied by a township to retire
23 bonds issued to satisfy court-ordered damages, that
24 portion, if any, of such taxes which is attributable to the
25 increase in the current equalized assessed valuation of
26 each taxable lot, block, tract or parcel of real property

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

1 treasurer shall be made only if each of the following
2 conditions are met:

3 (1) The total equalized assessed value of the
4 redevelopment project area as last determined was not
5 less than 175% of the total initial equalized assessed
6 value.

7 (2) Not more than 50% of the total equalized
8 assessed value of the redevelopment project area as
9 last determined is attributable to a piece of property
10 assigned a single real estate index number.

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

24 (4) The municipality has not requested that the
25 total initial equalized assessed value of real
26 property be adjusted as provided in subsection (b) of

1 Section 11-74.4-9.

2 The conditions of paragraphs (1) through (4) do not
3 apply after December 31, 1999 to payments to a municipal
4 treasurer made by a county with 3,000,000 or more
5 inhabitants that has adopted an estimated billing
6 procedure for collecting taxes. If a county that has
7 adopted the estimated billing procedure makes an erroneous
8 overpayment of tax revenue to the municipal treasurer, then
9 the county may seek a refund of that overpayment. The
10 county shall send the municipal treasurer a notice of
11 liability for the overpayment on or before the mailing date
12 of the next real estate tax bill within the county. The
13 refund shall be limited to the amount of the overpayment.

14 It is the intent of this Division that after the
15 effective date of this amendatory Act of 1988 a
16 municipality's own ad valorem tax arising from levies on
17 taxable real property be included in the determination of
18 incremental revenue in the manner provided in paragraph (c)
19 of Section 11-74.4-9. If the municipality does not extend
20 such a tax, it shall annually deposit in the municipality's
21 Special Tax Increment Fund an amount equal to 10% of the
22 total contributions to the fund from all other taxing
23 districts in that year. The annual 10% deposit required by
24 this paragraph shall be limited to the actual amount of
25 municipally produced incremental tax revenues available to
26 the municipality from taxpayers located in the

1 redevelopment project area in that year if: (a) the plan
2 for the area restricts the use of the property primarily to
3 industrial purposes, (b) the municipality establishing the
4 redevelopment project area is a home-rule community with a
5 1990 population of between 25,000 and 50,000, (c) the
6 municipality is wholly located within a county with a 1990
7 population of over 750,000 and (d) the redevelopment
8 project area was established by the municipality prior to
9 June 1, 1990. This payment shall be in lieu of a
10 contribution of ad valorem taxes on real property. If no
11 such payment is made, any redevelopment project area of the
12 municipality shall be dissolved.

13 If a municipality has adopted tax increment allocation
14 financing by ordinance and the County Clerk thereafter
15 certifies the "total initial equalized assessed value as
16 adjusted" of the taxable real property within such
17 redevelopment project area in the manner provided in
18 paragraph (b) of Section 11-74.4-9, each year after the
19 date of the certification of the total initial equalized
20 assessed value as adjusted until redevelopment project
21 costs and all municipal obligations financing
22 redevelopment project costs have been paid the ad valorem
23 taxes, if any, arising from the levies upon the taxable
24 real property in such redevelopment project area by taxing
25 districts and tax rates determined in the manner provided
26 in paragraph (c) of Section 11-74.4-9 shall be divided as

1 follows, provided, however, that with respect to any
2 redevelopment project area located within a transit
3 facility improvement area established pursuant to Section
4 11-74.4-3.3 in a municipality with a population of
5 1,000,000 or more, ad valorem taxes, if any, arising from
6 the levies upon the taxable real property in such
7 redevelopment project area shall be allocated as
8 specifically provided in this Section:

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

24 (2) That portion, if any, of such taxes which is
25 attributable to the increase in the current equalized
26 assessed valuation of each taxable lot, block, tract,

1 or parcel of real property in the redevelopment project
2 area, over and above the initial equalized assessed
3 value of each property existing at the time tax
4 increment financing was adopted, minus the total
5 current homestead exemptions pertaining to each piece
6 of property provided by Article 15 of the Property Tax
7 Code in the redevelopment project area, shall be
8 allocated to and when collected shall be paid to the
9 municipal Treasurer, who shall deposit said taxes into
10 a special fund called the special tax allocation fund
11 of the municipality for the purpose of paying
12 redevelopment project costs and obligations incurred
13 in the payment thereof.

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

1 Whenever a municipality issues bonds for the purpose of
2 financing redevelopment project costs, such municipality
3 may provide by ordinance for the appointment of a trustee,
4 which may be any trust company within the State, and for
5 the establishment of such funds or accounts to be
6 maintained by such trustee as the municipality shall deem
7 necessary to provide for the security and payment of the
8 bonds. If such municipality provides for the appointment of
9 a trustee, such trustee shall be considered the assignee of
10 any payments assigned by the municipality pursuant to such
11 ordinance and this Section. Any amounts paid to such
12 trustee as assignee shall be deposited in the funds or
13 accounts established pursuant to such trust agreement, and
14 shall be held by such trustee in trust for the benefit of
15 the holders of the bonds, and such holders shall have a
16 lien on and a security interest in such funds or accounts
17 so long as the bonds remain outstanding and unpaid. Upon
18 retirement of the bonds, the trustee shall pay over any
19 excess amounts held to the municipality for deposit in the
20 special tax allocation fund.

21 When such redevelopment projects costs, including
22 without limitation all municipal obligations financing
23 redevelopment project costs incurred under this Division,
24 have been paid, all surplus funds then remaining in the
25 special tax allocation fund shall be distributed by being
26 paid by the municipal treasurer to the Department of

1 Revenue, the municipality and the county collector; first
2 to the Department of Revenue and the municipality in direct
3 proportion to the tax incremental revenue received from the
4 State and the municipality, but not to exceed the total
5 incremental revenue received from the State or the
6 municipality less any annual surplus distribution of
7 incremental revenue previously made; with any remaining
8 funds to be paid to the County Collector who shall
9 immediately thereafter pay said funds to the taxing
10 districts in the redevelopment project area in the same
11 manner and proportion as the most recent distribution by
12 the county collector to the affected districts of real
13 property taxes from real property in the redevelopment
14 project area.

15 Upon the payment of all redevelopment project costs,
16 the retirement of obligations, the distribution of any
17 excess monies pursuant to this Section, and final closing
18 of the books and records of the redevelopment project area,
19 the municipality, if it has not already done so, shall
20 adopt an ordinance dissolving the special tax allocation
21 fund for the redevelopment project area and terminating the
22 designation of the redevelopment project area as a
23 redevelopment project area. Title to real or personal
24 property and public improvements acquired by or for the
25 municipality as a result of the redevelopment project and
26 plan shall vest in the municipality when acquired and shall

1 continue to be held by the municipality after the
2 redevelopment project area has been terminated.
3 Municipalities shall notify affected taxing districts
4 prior to July 1 ~~November 1~~ if the redevelopment project
5 area is to be terminated by December 31 of that same year.
6 If a municipality extends estimated dates of completion of
7 a redevelopment project and retirement of obligations to
8 finance a redevelopment project, as allowed by this
9 amendatory Act of 1993, that extension shall not extend the
10 property tax increment allocation financing authorized by
11 this Section. Thereafter the rates of the taxing districts
12 shall be extended and taxes levied, collected and
13 distributed in the manner applicable in the absence of the
14 adoption of tax increment allocation financing.

15 After the effective date of this amendatory Act of the
16 101st General Assembly, any new ordinance adopting tax
17 increment financing in a redevelopment project area shall
18 specify a date for the dissolution of the special tax
19 allocation fund for the redevelopment project area and a
20 date for the termination of the designation of the
21 redevelopment project area as a redevelopment project
22 area. The municipality may amend the ordinance at any time
23 to change the date of termination. No later than 90 days
24 after the effective date of this amendatory Act of the
25 101st General Assembly, each municipality shall amend all
26 existing tax increment financing ordinances to specify a

1 date for the dissolution of the special tax allocation fund
2 for the redevelopment project area and a date for
3 termination of the designation of the redevelopment
4 project area as a redevelopment project area. The date of
5 termination as originally designated or designated by the
6 amendment of the ordinance shall be consistent with the
7 terms of Section 11-74.4-3.5.

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

20 (1) That portion of the taxes levied upon each
21 taxable lot, block, tract or parcel of real property
22 which is attributable to the lower of (i) the current
23 equalized assessed value or "current equalized
24 assessed value as adjusted" or (ii) the initial
25 equalized assessed value of each such taxable lot,
26 block, tract, or parcel of real property existing at

1 the time tax increment financing was adopted, minus the
2 total current homestead exemptions under Article 15 of
3 the Property Tax Code in the redevelopment project area
4 shall be allocated to and when collected shall be paid
5 by the county collector to the respective affected
6 taxing districts in the manner required by law in the
7 absence of the adoption of tax increment allocation
8 financing.

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

21 (A) First, that portion which would be payable
22 to a school district whose boundaries are
23 coterminous with such municipality in the absence
24 of the adoption of tax increment allocation
25 financing, shall be paid to such school district in
26 the manner required by law in the absence of the

1 adoption of tax increment allocation financing;
2 then

3 (B) 80% of the remaining portion shall be paid
4 to the municipal Treasurer, who shall deposit said
5 taxes into a special fund called the special tax
6 allocation fund of the municipality for the
7 purpose of paying redevelopment project costs and
8 obligations incurred in the payment thereof; and
9 then

10 (C) 20% of the remaining portion shall be paid
11 to the respective affected taxing districts, other
12 than the school district described in clause (a)
13 above, in the manner required by law in the absence
14 of the adoption of tax increment allocation
15 financing.

16 Nothing in this Section shall be construed as relieving
17 property in such redevelopment project areas from being
18 assessed as provided in the Property Tax Code or as relieving
19 owners of such property from paying a uniform rate of taxes, as
20 required by Section 4 of Article IX of the Illinois
21 Constitution.

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