

1 lot, block, tract, or parcel of real property within such
2 economic development project area, from which shall be
3 deducted the homestead exemptions provided by Sections
4 15-170, and 15-175, and 15-176 of the Property Tax Code, and
5 shall certify such amount as the "total initial equalized
6 assessed value" of the taxable real property within the
7 economic development project area.

8 (b) After the county clerk has certified the "total
9 initial equalized assessed value" of the taxable real
10 property in the economic development project area, then in
11 respect to every taxing district containing an economic
12 development project area, the county clerk or any other
13 official required by law to ascertain the amount of the
14 equalized assessed value of all taxable property within that
15 taxing district for the purpose of computing the rate per
16 cent of tax to be extended upon taxable property within that
17 taxing district, shall in every year that tax increment
18 allocation financing is in effect ascertain the amount of
19 value of taxable property in an economic development project
20 area by including in that amount the lower of the current
21 equalized assessed value or the certified "total initial
22 equalized assessed value" of all taxable real property in
23 such area. The rate per cent of tax determined shall be
24 extended to the current equalized assessed value of all
25 property in the economic development project area in the same
26 manner as the rate per cent of tax is extended to all other
27 taxable property in the taxing district. The method of
28 allocating taxes established under this Section shall
29 terminate when the municipality adopts an ordinance
30 dissolving the special tax allocation fund for the economic
31 development project area, terminating the economic
32 development project area, and terminating the use of tax
33 increment allocation financing for the economic development
34 project area. This Act shall not be construed as relieving

1 property owners within an economic development project area
2 from paying a uniform rate of taxes upon the current
3 equalized assessed value of their taxable property as
4 provided in the Property Tax Code.

5 (Source: P.A. 88-670, eff. 12-2-94.)

6 Section 10. The Property Tax Code is amended by changing
7 Sections 14-15, 15-10, 15-170, 15-172, 15-175, 15-180, and
8 20-178 and by adding Section 15-176 as follows:

9 (35 ILCS 200/14-15)

10 Sec. 14-15. Certificate of error; counties of 3,000,000
11 or more.

12 (a) In counties with 3,000,000 or more inhabitants, if,
13 after the assessment is certified pursuant to Section 16-150,
14 but subject to the limitations of subsection (c) of this
15 Section, the county assessor discovers an error or mistake in
16 the assessment, the assessor shall execute a certificate
17 setting forth the nature and cause of the error. The
18 certificate when endorsed by the county assessor, or when
19 endorsed by the county assessor and board of appeals (until
20 the first Monday in December 1998 and the board of review
21 beginning the first Monday in December 1998 and thereafter)
22 where the certificate is executed for any assessment which
23 was the subject of a complaint filed in the board of appeals
24 (until the first Monday in December 1998 and the board of
25 review beginning the first Monday in December 1998 and
26 thereafter) for the tax year for which the certificate is
27 issued, may, either be certified according to the procedure
28 authorized by this Section or be presented and received in
29 evidence in any court of competent jurisdiction.
30 Certification is authorized, at the discretion of the county
31 assessor, for: (1) certificates of error allowing homestead
32 exemptions pursuant to Sections 15-170, 15-172, and 15-175,

1 and 15-176; (2) certificates of error on residential property
2 of 6 units or less; (3) certificates of error allowing
3 exemption of the property pursuant to Section 14-25; and (4)
4 other certificates of error reducing assessed value by less
5 than \$100,000. Any certificate of error not certified shall
6 be presented to the court. The county assessor shall develop
7 reasonable procedures for the filing and processing of
8 certificates of error. Prior to the certification or
9 presentation to the court, the county assessor or his or her
10 designee shall execute and include in the certificate of
11 error a statement attesting that all procedural requirements
12 pertaining to the issuance of the certificate of error have
13 been met and that in fact an error exists. When so introduced
14 in evidence such certificate shall become a part of the court
15 records, and shall not be removed from the files except upon
16 the order of the court.

17 Certificates of error that will be presented to the court
18 shall be filed as an objection in the application for
19 judgment and order of sale for the year in relation to which
20 the certificate is made or as an amendment to the objection
21 under subsection (b). Certificates of error that are to be
22 certified according to the procedure authorized by this
23 Section need not be presented to the court as an objection or
24 an amendment under subsection (b). The State's Attorney of
25 the county in which the property is situated shall mail a
26 copy of any final judgment entered by the court regarding any
27 certificate of error to the taxpayer of record for the year
28 in question.

29 Any unpaid taxes after the entry of the final judgment by
30 the court or certification on certificates issued under this
31 Section may be included in a special tax sale, provided that
32 an advertisement is published and a notice is mailed to the
33 person in whose name the taxes were last assessed, in a form
34 and manner substantially similar to the advertisement and

1 notice required under Sections 21-110 and 21-135. The
 2 advertisement and sale shall be subject to all provisions of
 3 law regulating the annual advertisement and sale of
 4 delinquent property, to the extent that those provisions may
 5 be made applicable.

6 A certificate of error certified under this Section shall
 7 be given effect by the county treasurer, who shall mark the
 8 tax books and, upon receipt of one of the following
 9 certificates from the county assessor or the county assessor
 10 and the board of review where the board of review is required
 11 to endorse the certificate of error, shall issue refunds to
 12 the taxpayer accordingly:

13 "CERTIFICATION

14 I,, county assessor, hereby certify
 15 that the Certificates of Error set out on the attached
 16 list have been duly issued to correct an error or mistake
 17 in the assessment."

18 "CERTIFICATION

19 I,, county assessor, and we,
 20,
 21 members of the board of review, hereby certify that the
 22 Certificates of Error set out on the attached list have
 23 been duly issued to correct an error or mistake in the
 24 assessment and that any certificates of error required to
 25 be endorsed by the board of review have been so
 26 endorsed."

27 The county treasurer has the power to mark the tax books
 28 to reflect the issuance of certificates of error certified
 29 according to the procedure authorized in this Section for
 30 certificates of error issued under Section 14-25 or
 31 certificates of error issued to and including 3 years after
 32 the date on which the annual judgment and order of sale for
 33 that tax year was first entered. The county treasurer has

1 the power to issue refunds to the taxpayer as set forth above
2 until all refunds authorized by this Section have been
3 completed.

4 To the extent that the certificate of error obviates the
5 liability for nonpayment of taxes, certification of a
6 certificate of error according to the procedure authorized in
7 this Section shall operate to vacate any judgment or
8 forfeiture as to that year's taxes, and the warrant books and
9 judgment books shall be marked to reflect that the judgment
10 or forfeiture has been vacated.

11 (b) Nothing in subsection (a) of this Section shall be
12 construed to prohibit the execution, endorsement, issuance,
13 and adjudication of a certificate of error if (i) the annual
14 judgment and order of sale for the tax year in question is
15 reopened for further proceedings upon consent of the county
16 collector and county assessor, represented by the State's
17 Attorney, and (ii) a new final judgment is subsequently
18 entered pursuant to the certificate. This subsection (b)
19 shall be construed as declarative of existing law and not as
20 a new enactment.

21 (c) No certificate of error, other than a certificate to
22 establish an exemption under Section 14-25, shall be executed
23 for any tax year more than 3 years after the date on which
24 the annual judgment and order of sale for that tax year was
25 first entered, except that during calendar years 1999 and
26 2000 a certificate of error may be executed for any tax year,
27 provided that the error or mistake in the assessment was
28 discovered no more than 3 years after the date on which the
29 annual judgment and order of sale for that tax year was first
30 entered.

31 (d) The time limitation of subsection (c) shall not
32 apply to a certificate of error correcting an assessment to
33 \$1, under Section 10-35, on a parcel that a subdivision or
34 planned development has acquired by adverse possession, if

1 during the tax year for which the certificate is executed the
2 subdivision or planned development used the parcel as common
3 area, as defined in Section 10-35, and if application for the
4 certificate of error is made prior to December 1, 1997.

5 (e) The changes made by this amendatory Act of the 91st
6 General Assembly apply to certificates of error issued
7 before, on, and after the effective date of this amendatory
8 Act of the 91st General Assembly.

9 (Source: P.A. 90-4, eff. 3-7-97; 90-288, eff. 8-1-97; 90-655,
10 eff. 7-30-98; 91-393, eff. 7-30-99; 91-686, eff. 1-26-00.)

11 (35 ILCS 200/15-10)

12 Sec. 15-10. Exempt property; procedures for
13 certification. All property granted an exemption by the
14 Department pursuant to the requirements of Section 15-5 and
15 described in the Sections following Section 15-30 and
16 preceding Section 16-5, to the extent therein limited, is
17 exempt from taxation. In order to maintain that exempt
18 status, the titleholder or the owner of the beneficial
19 interest of any property that is exempt must file with the
20 chief county assessment officer, on or before January 31 of
21 each year (May 31 in the case of property exempted by Section
22 15-170), an affidavit stating whether there has been any
23 change in the ownership or use of the property or the status
24 of the owner-resident, or that a disabled veteran who
25 qualifies under Section 15-165 owned and used the property as
26 of January 1 of that year. The nature of any change shall be
27 stated in the affidavit. Failure to file an affidavit
28 shall, in the discretion of the assessment officer,
29 constitute cause to terminate the exemption of that property,
30 notwithstanding any other provision of this Code. Owners of 5
31 or more such exempt parcels within a county may file a single
32 annual affidavit in lieu of an affidavit for each parcel.
33 The assessment officer, upon request, shall furnish an

1 affidavit form to the owners, in which the owner may state
 2 whether there has been any change in the ownership or use of
 3 the property or status of the owner or resident as of January
 4 1 of that year. The owner of 5 or more exempt parcels shall
 5 list all the properties giving the same information for each
 6 parcel as required of owners who file individual affidavits.

7 However, titleholders or owners of the beneficial
 8 interest in any property exempted under any of the following
 9 provisions are not required to submit an annual filing under
 10 this Section:

- 11 (1) Section 15-45 (burial grounds) in counties of
 12 less than 3,000,000 inhabitants and owned by a
 13 not-for-profit organization.
- 14 (2) Section 15-40.
- 15 (3) Section 15-50 (United States property).

16 If there is a change in use or ownership, however, notice
 17 must be filed pursuant to Section 15-20.

18 An application for homestead exemptions shall be filed as
 19 provided in Section 15-170 (senior citizens homestead
 20 exemption), Section 15-172 (senior citizens assessment freeze
 21 homestead exemption), and Sections Section 15-175 and 15-176
 22 (general homestead exemption), respectively.

23 (Source: P.A. 92-333, eff. 8-10-01; 92-729, eff. 7-25-02.)

24 (35 ILCS 200/15-170)
 25 Sec. 15-170. Senior Citizens Homestead Exemption. An
 26 annual homestead exemption limited, except as described here
 27 with relation to cooperatives or life care facilities, to a
 28 maximum reduction set forth below from the property's value,
 29 as equalized or assessed by the Department, is granted for
 30 property that is occupied as a residence by a person 65
 31 years of age or older who is liable for paying real estate
 32 taxes on the property and is an owner of record of the
 33 property or has a legal or equitable interest therein as

1 evidenced by a written instrument, except for a leasehold
2 interest, other than a leasehold interest of land on which a
3 single family residence is located, which is occupied as a
4 residence by a person 65 years or older who has an ownership
5 interest therein, legal, equitable or as a lessee, and on
6 which he or she is liable for the payment of property taxes.
7 The maximum reduction shall be \$2,500 in counties with
8 3,000,000 or more inhabitants and \$2,000 in all other
9 counties. For land improved with an apartment building owned
10 and operated as a cooperative, the maximum reduction from the
11 value of the property, as equalized by the Department, shall
12 be multiplied by the number of apartments or units occupied
13 by a person 65 years of age or older who is liable, by
14 contract with the owner or owners of record, for paying
15 property taxes on the property and is an owner of record of a
16 legal or equitable interest in the cooperative apartment
17 building, other than a leasehold interest. For land improved
18 with a life care facility, the maximum reduction from the
19 value of the property, as equalized by the Department, shall
20 be multiplied by the number of apartments or units occupied
21 by persons 65 years of age or older, irrespective of any
22 legal, equitable, or leasehold interest in the facility, who
23 are liable, under a contract with the owner or owners of
24 record of the facility, for paying property taxes on the
25 property. In a cooperative or a life care facility where a
26 homestead exemption has been granted, the cooperative
27 association or the management firm of the cooperative or
28 facility shall credit the savings resulting from that
29 exemption only to the apportioned tax liability of the owner
30 or resident who qualified for the exemption. Any person who
31 willfully refuses to so credit the savings shall be guilty of
32 a Class B misdemeanor. Under this Section and Section 15-175,
33 "life care facility" means a facility as defined in Section 2
34 of the Life Care Facilities Act, with which the applicant for

1 the homestead exemption has a life care contract as defined
2 in that Act.

3 When a homestead exemption has been granted under this
4 Section and the person qualifying subsequently becomes a
5 resident of a facility licensed under the Nursing Home Care
6 Act, the exemption shall continue so long as the residence
7 continues to be occupied by the qualifying person's spouse if
8 the spouse is 65 years of age or older, or if the residence
9 remains unoccupied but is still owned by the person qualified
10 for the homestead exemption.

11 A person who will be 65 years of age during the current
12 assessment year shall be eligible to apply for the homestead
13 exemption during that assessment year. Application shall be
14 made during the application period in effect for the county
15 of his residence.

16 Beginning with assessment year 2003, for taxes payable in
17 2004, property that is first occupied as a residence after
18 January 1 of any assessment year by a person who is eligible
19 for the senior citizens homestead exemption under this
20 Section must be granted a pro-rata exemption for the
21 assessment year. The amount of the pro-rata exemption is the
22 exemption allowed in the county under this Section divided by
23 365 and multiplied by the number of days during the
24 assessment year the property is occupied as a residence by a
25 person eligible for the exemption under this Section. The
26 chief county assessment officer must adopt reasonable
27 procedures to establish eligibility for this pro-rata
28 exemption.

29 The assessor or chief county assessment officer may
30 determine the eligibility of a life care facility to receive
31 the benefits provided by this Section, by affidavit,
32 application, visual inspection, questionnaire or other
33 reasonable methods in order to insure that the tax savings
34 resulting from the exemption are credited by the management

1 firm to the apportioned tax liability of each qualifying
2 resident. The assessor may request reasonable proof that the
3 management firm has so credited the exemption.

4 The chief county assessment officer of each county with
5 less than 3,000,000 inhabitants shall provide to each person
6 allowed a homestead exemption under this Section a form to
7 designate any other person to receive a duplicate of any
8 notice of delinquency in the payment of taxes assessed and
9 levied under this Code on the property of the person
10 receiving the exemption. The duplicate notice shall be in
11 addition to the notice required to be provided to the person
12 receiving the exemption, and shall be given in the manner
13 required by this Code. The person filing the request for the
14 duplicate notice shall pay a fee of \$5 to cover
15 administrative costs to the supervisor of assessments, who
16 shall then file the executed designation with the county
17 collector. Notwithstanding any other provision of this Code
18 to the contrary, the filing of such an executed designation
19 requires the county collector to provide duplicate notices as
20 indicated by the designation. A designation may be rescinded
21 by the person who executed such designation at any time, in
22 the manner and form required by the chief county assessment
23 officer.

24 The assessor or chief county assessment officer may
25 determine the eligibility of residential property to receive
26 the homestead exemption provided by this Section by
27 application, visual inspection, questionnaire or other
28 reasonable methods. The determination shall be made in
29 accordance with guidelines established by the Department.

30 In counties with less than 3,000,000 inhabitants, the
31 county board may by resolution provide that if a person has
32 been granted a homestead exemption under this Section, the
33 person qualifying need not reapply for the exemption.

34 In counties with 3,000,000 or more inhabitants, if a

1 property has been granted a homestead exemption under this
2 Section, the person qualifying need not reapply for the
3 exemption.

4 In counties with less than 3,000,000 inhabitants, if the
5 assessor or chief county assessment officer requires annual
6 application for verification of eligibility for an exemption
7 once granted under this Section, the application shall be
8 mailed to the taxpayer.

9 The assessor or chief county assessment officer shall
10 notify each person who qualifies for an exemption under this
11 Section that the person may also qualify for deferral of real
12 estate taxes under the Senior Citizens Real Estate Tax
13 Deferral Act. The notice shall set forth the qualifications
14 needed for deferral of real estate taxes, the address and
15 telephone number of county collector, and a statement that
16 applications for deferral of real estate taxes may be
17 obtained from the county collector.

18 Notwithstanding Sections 6 and 8 of the State Mandates
19 Act, no reimbursement by the State is required for the
20 implementation of any mandate created by this Section.

21 (Source: P.A. 92-196, eff. 1-1-02; 93-511, eff. 8-11-03.)

22 (35 ILCS 200/15-172)

23 Sec. 15-172. Senior Citizens Assessment Freeze Homestead
24 Exemption.

25 (a) This Section may be cited as the Senior Citizens
26 Assessment Freeze Homestead Exemption.

27 (b) As used in this Section:

28 "Applicant" means an individual who has filed an
29 application under this Section.

30 "Base amount" means the base year equalized assessed
31 value of the residence plus the first year's equalized
32 assessed value of any added improvements which increased the
33 assessed value of the residence after the base year.

1 "Base year" means the taxable year prior to the taxable
2 year for which the applicant first qualifies and applies for
3 the exemption provided that in the prior taxable year the
4 property was improved with a permanent structure that was
5 occupied as a residence by the applicant who was liable for
6 paying real property taxes on the property and who was either
7 (i) an owner of record of the property or had legal or
8 equitable interest in the property as evidenced by a written
9 instrument or (ii) had a legal or equitable interest as a
10 lessee in the parcel of property that was single family
11 residence. If in any subsequent taxable year for which the
12 applicant applies and qualifies for the exemption the
13 equalized assessed value of the residence is less than the
14 equalized assessed value in the existing base year (provided
15 that such equalized assessed value is not based on an
16 assessed value that results from a temporary irregularity in
17 the property that reduces the assessed value for one or more
18 taxable years), then that subsequent taxable year shall
19 become the base year until a new base year is established
20 under the terms of this paragraph. For taxable year 1999
21 only, the Chief County Assessment Officer shall review (i)
22 all taxable years for which the applicant applied and
23 qualified for the exemption and (ii) the existing base year.
24 The assessment officer shall select as the new base year the
25 year with the lowest equalized assessed value. An equalized
26 assessed value that is based on an assessed value that
27 results from a temporary irregularity in the property that
28 reduces the assessed value for one or more taxable years
29 shall not be considered the lowest equalized assessed value.
30 The selected year shall be the base year for taxable year
31 1999 and thereafter until a new base year is established
32 under the terms of this paragraph.

33 "Chief County Assessment Officer" means the County
34 Assessor or Supervisor of Assessments of the county in which

1 the property is located.

2 "Equalized assessed value" means the assessed value as
3 equalized by the Illinois Department of Revenue.

4 "Household" means the applicant, the spouse of the
5 applicant, and all persons using the residence of the
6 applicant as their principal place of residence.

7 "Household income" means the combined income of the
8 members of a household for the calendar year preceding the
9 taxable year.

10 "Income" has the same meaning as provided in Section 3.07
11 of the Senior Citizens and Disabled Persons Property Tax
12 Relief and Pharmaceutical Assistance Act, except that,
13 beginning in assessment year 2001, "income" does not include
14 veteran's benefits.

15 "Internal Revenue Code of 1986" means the United States
16 Internal Revenue Code of 1986 or any successor law or laws
17 relating to federal income taxes in effect for the year
18 preceding the taxable year.

19 "Life care facility that qualifies as a cooperative"
20 means a facility as defined in Section 2 of the Life Care
21 Facilities Act.

22 "Residence" means the principal dwelling place and
23 appurtenant structures used for residential purposes in this
24 State occupied on January 1 of the taxable year by a
25 household and so much of the surrounding land, constituting
26 the parcel upon which the dwelling place is situated, as is
27 used for residential purposes. If the Chief County Assessment
28 Officer has established a specific legal description for a
29 portion of property constituting the residence, then that
30 portion of property shall be deemed the residence for the
31 purposes of this Section.

32 "Taxable year" means the calendar year during which ad
33 valorem property taxes payable in the next succeeding year
34 are levied.

1 (c) Beginning in taxable year 1994, a senior citizens
2 assessment freeze homestead exemption is granted for real
3 property that is improved with a permanent structure that is
4 occupied as a residence by an applicant who (i) is 65 years
5 of age or older during the taxable year, (ii) has a household
6 income of \$35,000 or less prior to taxable year 1999, ~~or~~
7 \$40,000 or less in taxable years year 1999 through 2002, or
8 \$45,000 or less in taxable year 2003 and thereafter, (iii) is
9 liable for paying real property taxes on the property, and
10 (iv) is an owner of record of the property or has a legal or
11 equitable interest in the property as evidenced by a written
12 instrument. This homestead exemption shall also apply to a
13 leasehold interest in a parcel of property improved with a
14 permanent structure that is a single family residence that is
15 occupied as a residence by a person who (i) is 65 years of
16 age or older during the taxable year, (ii) has a household
17 income of \$35,000 or less prior to taxable year 1999, ~~or~~
18 \$40,000 or less in taxable years year 1999 through 2002, or
19 \$45,000 or less in taxable year 2003 and thereafter, (iii)
20 has a legal or equitable ownership interest in the property
21 as lessee, and (iv) is liable for the payment of real
22 property taxes on that property.

23 The amount of this exemption shall be the equalized
24 assessed value of the residence in the taxable year for which
25 application is made minus the base amount.

26 When the applicant is a surviving spouse of an applicant
27 for a prior year for the same residence for which an
28 exemption under this Section has been granted, the base year
29 and base amount for that residence are the same as for the
30 applicant for the prior year.

31 Each year at the time the assessment books are certified
32 to the County Clerk, the Board of Review or Board of Appeals
33 shall give to the County Clerk a list of the assessed values
34 of improvements on each parcel qualifying for this exemption

1 that were added after the base year for this parcel and that
2 increased the assessed value of the property.

3 In the case of land improved with an apartment building
4 owned and operated as a cooperative or a building that is a
5 life care facility that qualifies as a cooperative, the
6 maximum reduction from the equalized assessed value of the
7 property is limited to the sum of the reductions calculated
8 for each unit occupied as a residence by a person ~~or persons~~
9 (i) 65 years of age or older, (ii) with a household income of
10 \$35,000 or less prior to taxable year 1999, or \$40,000 or
11 less in taxable years year 1999 through 2002, or \$45,000 or
12 less in taxable year 2003 and thereafter, (iii) who is
13 liable, by contract with the owner or owners of record, for
14 paying real property taxes on the property, and (iv) who is
15 an owner of record of a legal or equitable interest in the
16 cooperative apartment building, other than a leasehold
17 interest. In the instance of a cooperative where a homestead
18 exemption has been granted under this Section, the
19 cooperative association or its management firm shall credit
20 the savings resulting from that exemption only to the
21 apportioned tax liability of the owner who qualified for the
22 exemption. Any person who willfully refuses to credit that
23 savings to an owner who qualifies for the exemption is guilty
24 of a Class B misdemeanor.

25 When a homestead exemption has been granted under this
26 Section and an applicant then becomes a resident of a
27 facility licensed under the Nursing Home Care Act, the
28 exemption shall be granted in subsequent years so long as the
29 residence (i) continues to be occupied by the qualified
30 applicant's spouse or (ii) if remaining unoccupied, is still
31 owned by the qualified applicant for the homestead exemption.

32 Beginning January 1, 1997, when an individual dies who
33 would have qualified for an exemption under this Section, and
34 the surviving spouse does not independently qualify for this

1 exemption because of age, the exemption under this Section
2 shall be granted to the surviving spouse for the taxable year
3 preceding and the taxable year of the death, provided that,
4 except for age, the surviving spouse meets all other
5 qualifications for the granting of this exemption for those
6 years.

7 When married persons maintain separate residences, the
8 exemption provided for in this Section may be claimed by only
9 one of such persons and for only one residence.

10 For taxable year 1994 only, in counties having less than
11 3,000,000 inhabitants, to receive the exemption, a person
12 shall submit an application by February 15, 1995 to the Chief
13 County Assessment Officer of the county in which the property
14 is located. In counties having 3,000,000 or more
15 inhabitants, for taxable year 1994 and all subsequent taxable
16 years, to receive the exemption, a person may submit an
17 application to the Chief County Assessment Officer of the
18 county in which the property is located during such period as
19 may be specified by the Chief County Assessment Officer. The
20 Chief County Assessment Officer in counties of 3,000,000 or
21 more inhabitants shall annually give notice of the
22 application period by mail or by publication. In counties
23 having less than 3,000,000 inhabitants, beginning with
24 taxable year 1995 and thereafter, to receive the exemption, a
25 person shall submit an application by July 1 of each taxable
26 year to the Chief County Assessment Officer of the county in
27 which the property is located. A county may, by ordinance,
28 establish a date for submission of applications that is
29 different than July 1. The applicant shall submit with the
30 application an affidavit of the applicant's total household
31 income, age, marital status (and if married the name and
32 address of the applicant's spouse, if known), and principal
33 dwelling place of members of the household on January 1 of
34 the taxable year. The Department shall establish, by rule, a

1 method for verifying the accuracy of affidavits filed by
2 applicants under this Section. The applications shall be
3 clearly marked as applications for the Senior Citizens
4 Assessment Freeze Homestead Exemption.

5 Notwithstanding any other provision to the contrary, in
6 counties having fewer than 3,000,000 inhabitants, if an
7 applicant fails to file the application required by this
8 Section in a timely manner and this failure to file is due to
9 a mental or physical condition sufficiently severe so as to
10 render the applicant incapable of filing the application in a
11 timely manner, the Chief County Assessment Officer may extend
12 the filing deadline for a period of 30 days after the
13 applicant regains the capability to file the application, but
14 in no case may the filing deadline be extended beyond 3
15 months of the original filing deadline. In order to receive
16 the extension provided in this paragraph, the applicant shall
17 provide the Chief County Assessment Officer with a signed
18 statement from the applicant's physician stating the nature
19 and extent of the condition, that, in the physician's
20 opinion, the condition was so severe that it rendered the
21 applicant incapable of filing the application in a timely
22 manner, and the date on which the applicant regained the
23 capability to file the application.

24 Beginning January 1, 1998, notwithstanding any other
25 provision to the contrary, in counties having fewer than
26 3,000,000 inhabitants, if an applicant fails to file the
27 application required by this Section in a timely manner and
28 this failure to file is due to a mental or physical condition
29 sufficiently severe so as to render the applicant incapable
30 of filing the application in a timely manner, the Chief
31 County Assessment Officer may extend the filing deadline for
32 a period of 3 months. In order to receive the extension
33 provided in this paragraph, the applicant shall provide the
34 Chief County Assessment Officer with a signed statement from

1 the applicant's physician stating the nature and extent of
2 the condition, and that, in the physician's opinion, the
3 condition was so severe that it rendered the applicant
4 incapable of filing the application in a timely manner.

5 In counties having less than 3,000,000 inhabitants, if an
6 applicant was denied an exemption in taxable year 1994 and
7 the denial occurred due to an error on the part of an
8 assessment official, or his or her agent or employee, then
9 beginning in taxable year 1997 the applicant's base year, for
10 purposes of determining the amount of the exemption, shall be
11 1993 rather than 1994. In addition, in taxable year 1997, the
12 applicant's exemption shall also include an amount equal to
13 (i) the amount of any exemption denied to the applicant in
14 taxable year 1995 as a result of using 1994, rather than
15 1993, as the base year, (ii) the amount of any exemption
16 denied to the applicant in taxable year 1996 as a result of
17 using 1994, rather than 1993, as the base year, and (iii) the
18 amount of the exemption erroneously denied for taxable year
19 1994.

20 For purposes of this Section, a person who will be 65
21 years of age during the current taxable year shall be
22 eligible to apply for the homestead exemption during that
23 taxable year. Application shall be made during the
24 application period in effect for the county of his or her
25 residence.

26 The Chief County Assessment Officer may determine the
27 eligibility of a life care facility that qualifies as a
28 cooperative to receive the benefits provided by this Section
29 by use of an affidavit, application, visual inspection,
30 questionnaire, or other reasonable method in order to insure
31 that the tax savings resulting from the exemption are
32 credited by the management firm to the apportioned tax
33 liability of each qualifying resident. The Chief County
34 Assessment Officer may request reasonable proof that the

1 management firm has so credited that exemption.

2 Except as provided in this Section, all information
3 received by the chief county assessment officer or the
4 Department from applications filed under this Section, or
5 from any investigation conducted under the provisions of this
6 Section, shall be confidential, except for official purposes
7 or pursuant to official procedures for collection of any
8 State or local tax or enforcement of any civil or criminal
9 penalty or sanction imposed by this Act or by any statute or
10 ordinance imposing a State or local tax. Any person who
11 divulges any such information in any manner, except in
12 accordance with a proper judicial order, is guilty of a Class
13 A misdemeanor.

14 Nothing contained in this Section shall prevent the
15 Director or chief county assessment officer from publishing
16 or making available reasonable statistics concerning the
17 operation of the exemption contained in this Section in which
18 the contents of claims are grouped into aggregates in such a
19 way that information contained in any individual claim shall
20 not be disclosed.

21 (d) Each Chief County Assessment Officer shall annually
22 publish a notice of availability of the exemption provided
23 under this Section. The notice shall be published at least
24 60 days but no more than 75 days prior to the date on which
25 the application must be submitted to the Chief County
26 Assessment Officer of the county in which the property is
27 located. The notice shall appear in a newspaper of general
28 circulation in the county.

29 (e) Notwithstanding Sections 6 and 8 of the State
30 Mandates Act, no reimbursement by the State is required for
31 the implementation of any mandate created by this Section.

32 (Source: P.A. 90-14, eff. 7-1-97; 90-204, eff. 7-25-97;
33 90-523, eff. 11-13-97; 90-524, eff. 1-1-98; 90-531, eff.
34 1-1-98; 90-655, eff. 7-30-98; 91-45, eff. 6-30-99; 91-56,

1 eff. 6-30-99; 91-819, eff. 6-13-00.)

2 (35 ILCS 200/15-175)

3 Sec. 15-175. General homestead exemption. Except as
4 provided in Section 15-176, homestead property is entitled to
5 an annual homestead exemption limited, except as described
6 here with relation to cooperatives, to a reduction in the
7 equalized assessed value of homestead property equal to the
8 increase in equalized assessed value for the current
9 assessment year above the equalized assessed value of the
10 property for 1977, up to the maximum reduction set forth
11 below. If however, the 1977 equalized assessed value upon
12 which taxes were paid is subsequently determined by local
13 assessing officials, the Property Tax Appeal Board, or a
14 court to have been excessive, the equalized assessed value
15 which should have been placed on the property for 1977 shall
16 be used to determine the amount of the exemption.

17 Except as provided in Section 15-176, the maximum
18 reduction shall be \$4,500 in counties with 3,000,000 or more
19 inhabitants and \$3,500 in all other counties.

20 In counties with fewer than 3,000,000 inhabitants, if,
21 based on the most recent assessment, the equalized assessed
22 value of the homestead property for the current assessment
23 year is greater than the equalized assessed value of the
24 property for 1977, the owner of the property shall
25 automatically receive the exemption granted under this
26 Section in an amount equal to the increase over the 1977
27 assessment up to the maximum reduction set forth in this
28 Section.

29 If in any assessment year beginning with the 2000
30 assessment year, homestead property has a pro-rata valuation
31 under Section 9-180 resulting in an increase in the assessed
32 valuation, a reduction in equalized assessed valuation equal
33 to the increase in equalized assessed value of the property

1 for the year of the pro-rata valuation above the equalized
2 assessed value of the property for 1977 shall be applied to
3 the property on a proportionate basis for the period the
4 property qualified as homestead property during the
5 assessment year. The maximum proportionate homestead
6 exemption shall not exceed the maximum homestead exemption
7 allowed in the county under this Section divided by 365 and
8 multiplied by the number of days the property qualified as
9 homestead property.

10 "Homestead property" under this Section includes
11 residential property that is occupied by its owner or owners
12 as his or their principal dwelling place, or that is a
13 leasehold interest on which a single family residence is
14 situated, which is occupied as a residence by a person who
15 has an ownership interest therein, legal or equitable or as a
16 lessee, and on which the person is liable for the payment of
17 property taxes. For land improved with an apartment building
18 owned and operated as a cooperative or a building which is a
19 life care facility as defined in Section 15-170 and
20 considered to be a cooperative under Section 15-170, the
21 maximum reduction from the equalized assessed value shall be
22 limited to the increase in the value above the equalized
23 assessed value of the property for 1977, up to the maximum
24 reduction set forth above, multiplied by the number of
25 apartments or units occupied by a person or persons who is
26 liable, by contract with the owner or owners of record, for
27 paying property taxes on the property and is an owner of
28 record of a legal or equitable interest in the cooperative
29 apartment building, other than a leasehold interest. For
30 purposes of this Section, the term "life care facility" has
31 the meaning stated in Section 15-170.

32 In a cooperative where a homestead exemption has been
33 granted, the cooperative association or its management firm
34 shall credit the savings resulting from that exemption only

1 to the apportioned tax liability of the owner who qualified
2 for the exemption. Any person who willfully refuses to so
3 credit the savings shall be guilty of a Class B misdemeanor.

4 Where married persons maintain and reside in separate
5 residences qualifying as homestead property, each residence
6 shall receive 50% of the total reduction in equalized
7 assessed valuation provided by this Section.

8 In counties with more than 3,000,000 inhabitants, the
9 assessor or chief county assessment officer may determine the
10 eligibility of residential property to receive the homestead
11 exemption by application, visual inspection, questionnaire or
12 other reasonable methods. The determination shall be made in
13 accordance with guidelines established by the Department.

14 In counties with fewer than 3,000,000 inhabitants, in the
15 event of a sale of homestead property the homestead exemption
16 shall remain in effect for the remainder of the assessment
17 year of the sale. The assessor or chief county assessment
18 officer may require the new owner of the property to apply
19 for the homestead exemption for the following assessment
20 year.

21 (Source: P.A. 90-368, eff. 1-1-98; 90-552, eff. 12-12-97;
22 90-655, eff. 7-30-98; 91-346, eff. 7-29-99.)

23 (35 ILCS 200/15-176 new)

24 Sec. 15-176. General homestead exemption in counties
25 with 3,000,000 or more inhabitants.

26 (a) In counties with 3,000,000 or more inhabitants,
27 beginning with assessments made for the tax year 2003 and for
28 subsequent tax years, homestead property is entitled to an
29 annual homestead exemption equal to a reduction in the
30 property's equalized assessed value calculated as provided in
31 this Section.

32 (b) As used in this Section:

33 (1) "Assessor" means the elected county assessor.

1 (2) "Adjusted homestead value" means the lesser of
2 the following values:

3 (A) The property's base homestead value
4 increased by 7% for each tax year after 2002 through
5 and including the current tax year.

6 (B) The property's equalized assessed value
7 for the current tax year minus \$4,500.

8 (3) "Base homestead value" means:

9 (A) The equalized assessed value of the
10 property for tax year 2002 prior to exemptions,
11 minus \$4,500, provided that it was assessed for that
12 year as residential property qualified for any of
13 the homestead exemptions under Sections 15-170
14 through 15-175 of this Code, then in force, and
15 further provided that the property's assessment was
16 not based on a reduced assessed value resulting from
17 a temporary irregularity in the property for that
18 year.

19 (B) If the property did not have a residential
20 equalized assessed value for tax year 2002 as
21 provided in subdivision (b)(3)(A) of this Section,
22 then the "base homestead value" means the base
23 homestead value established by the assessor under
24 subsection (c).

25 (4) "Current tax year" means the tax year for which
26 the exemption under this Section is being applied.

27 (5) "Equalized assessed value" means the property's
28 assessed value as equalized by the Department.

29 (6) "Homestead" or "homestead property" means:

30 (A) Residential property that as of January 1
31 of the tax year is occupied by its owner or owners
32 as his, her, or their principal dwelling place, or
33 that is a leasehold interest on which a single
34 family residence is situated, that is occupied as a

1 residence by a person who has a legal or equitable
2 interest therein evidenced by a written instrument,
3 as an owner or as a lessee, and on which the person
4 is liable for the payment of property taxes.
5 Residential units in an apartment building owned and
6 operated as a cooperative, or as a life care
7 facility, which are occupied by persons who hold a
8 legal or equitable interest in the cooperative
9 apartment building or life care facility as owners
10 or lessees, and who are liable by contract for the
11 payment of property taxes, shall be included within
12 this definition of homestead property. Residential
13 property containing 6 or fewer dwelling units shall
14 also be included in this definition of homestead
15 property provided that at least one such unit is
16 occupied by the property's owner or owners as his,
17 her, or their principal dwelling place.

18 (B) A homestead includes the dwelling place,
19 appurtenant structures, and so much of the
20 surrounding land constituting the parcel on which
21 the dwelling place is situated as is used for
22 residential purposes. If the assessor has
23 established a specific legal description for a
24 portion of property constituting the homestead, then
25 the homestead shall be limited to the property
26 within that description.

27 (7) "Life care facility" means a facility as
28 defined in Section 2 of the Life Care Facilities Act.

29 (c) If the property did not have a residential equalized
30 assessed value for tax year 2002 as provided in subdivision
31 (b)(3)(A) of this Section, then the assessor shall first
32 determine an initial value for the property by comparison
33 with assessed values for tax year 2002 of other properties
34 having physical and economic characteristics similar to those

1 of the subject property, so that the initial value is uniform
2 in relation to assessed values of those other properties for
3 tax year 2002. The product of the initial value multiplied by
4 2.4689, less \$4,500, is the base homestead value.

5 For any tax year for which the assessor determines or
6 adjusts an initial value and hence a base homestead value
7 under this subsection (c), the initial value shall be subject
8 to review by the same procedures applicable to assessed
9 values established under this Code for that tax year.

10 (d) The base homestead value shall remain constant,
11 except that the assessor may revise it under the following
12 circumstances:

13 (1) If the equalized assessed value of a homestead
14 property for the current tax year is less than the
15 previous base homestead value for that property, then the
16 current equalized assessed value (provided it is not
17 based on a reduced assessed value resulting from a
18 temporary irregularity in the property) shall become the
19 base homestead value in subsequent tax years.

20 (2) For any year in which new buildings,
21 structures, or other improvements are constructed on the
22 homestead property that would increase its assessed
23 value, the assessor shall adjust the base homestead value
24 as provided in subsection (c) of this Section with due
25 regard to the value added by the new improvements.

26 (e) The amount of the exemption under this Section is
27 the equalized assessed value of the homestead property for
28 the current tax year, minus the adjusted homestead value.
29 Provided, however, that in the case of homestead property
30 that also qualifies for the exemption under Section 15-172,
31 the property is also entitled to the exemption under this
32 Section, limited to the amount of \$4,500.

33 (f) In the case of an apartment building owned and
34 operated as a cooperative, or as a life care facility, that

1 contains residential units that qualify as homestead property
2 under this Section, the maximum cumulative exemption amount
3 attributed to the entire building or facility shall not
4 exceed the sum of the exemptions calculated for each
5 qualified residential unit. The cooperative association,
6 management firm, or other person or entity that manages or
7 controls the cooperative apartment building or life care
8 facility shall credit the exemption attributable to each
9 residential unit only to the apportioned tax liability of the
10 owner or other person responsible for payment of taxes as to
11 that unit. Any person who willfully refuses to so credit the
12 exemption is guilty of a Class B misdemeanor.

13 (g) When married persons maintain separate residences,
14 the exemption provided under this Section shall be claimed by
15 only one such person and for only one residence.

16 (h) In the event of a sale of the homestead property,
17 the exemption under this Section shall remain in effect for
18 the remainder of the tax year in which the sale occurs. The
19 assessor may require the new owner of the property to apply
20 for the exemption in the following year.

21 (i) The assessor may determine whether property
22 qualifies as a homestead under this Section by application,
23 visual inspection, questionnaire, or other reasonable
24 methods. Each year, at the time the assessment books are
25 certified to the county clerk by the board of review, the
26 assessor shall furnish to the county clerk a list of the
27 properties qualified for the homestead exemption under this
28 Section. The list shall note the base homestead value of each
29 property to be used in the calculation of the exemption for
30 the current tax year.

31 (j) The provisions of this Section apply as follows:

32 (1) If the general assessment year for the property
33 is 2003, this Section applies for assessment years 2003,
34 2004, 2005, 2006, 2007, 2008, 2009, and 2010. Thereafter,

1 the provisions of Section 15-175 apply.

2 (2) If the general assessment year for the property
3 is 2004, this Section applies for assessment years 2004,
4 2005, 2006, 2007, 2008, 2009, and 2010. Thereafter, the
5 provisions of Section 15-175 apply.

6 (3) If the general assessment year for the property
7 is 2005, this Section applies for assessment years 2005,
8 2006, 2007, 2008, 2009, and 2010. Thereafter, the
9 provisions of Section 15-175 apply.

10 (k) Notwithstanding Sections 6 and 8 of the State
11 Mandates Act, no reimbursement by the State is required for
12 the implementation of any mandate created by this Section.

13 (35 ILCS 200/15-180)

14 Sec. 15-180. Homestead improvements. Homestead
15 properties that have been improved and residential structures
16 on homestead property that have been rebuilt following a
17 catastrophic event are entitled to a homestead improvement
18 exemption, limited to \$30,000 per year through December 31,
19 1997, and \$45,000 beginning January 1, 1998 and through
20 December 31, 2003, and \$75,000 per year for that homestead
21 property beginning January 1, 2004 and thereafter, in fair
22 cash value, when that property is owned and used exclusively
23 for a residential purpose and upon demonstration that a
24 proposed increase in assessed value is attributable solely to
25 a new improvement of an existing structure or the rebuilding
26 of a residential structure following a catastrophic event.
27 To be eligible for an exemption under this Section after a
28 catastrophic event, the residential structure must be rebuilt
29 within 2 years after the catastrophic event. The exemption
30 for rebuilt structures under this Section applies to the
31 increase in value of the rebuilt structure over the value of
32 the structure before the catastrophic event. The amount of
33 the exemption shall be limited to the fair cash value added

1 by the new improvement or rebuilding and shall continue for 4
2 years from the date the improvement or rebuilding is
3 completed and occupied, or until the next following general
4 assessment of that property, whichever is later.

5 A proclamation of disaster by the President of the United
6 States or Governor of the State of Illinois is not a
7 prerequisite to the classification of an occurrence as a
8 catastrophic event under this Section. A "catastrophic
9 event" may include an occurrence of widespread or severe
10 damage or loss of property resulting from any catastrophic
11 cause including but not limited to fire, including arson
12 (provided the fire was not caused by the willful action of an
13 owner or resident of the property), flood, earthquake, wind,
14 storm, explosion, or extended periods of severe inclement
15 weather. In the case of a residential structure affected by
16 flooding, the structure shall not be eligible for this
17 homestead improvement exemption unless it is located within a
18 local jurisdiction which is participating in the National
19 Flood Insurance Program.

20 In counties of less than 3,000,000 inhabitants, in
21 addition to the notice requirement under Section 12-30, a
22 supervisor of assessments, county assessor, or township or
23 multi-township assessor responsible for adding an assessable
24 improvement to a residential property's assessment shall
25 either notify a taxpayer whose assessment has been changed
26 since the last preceding assessment that he or she may be
27 eligible for the exemption provided under this Section or
28 shall grant the exemption automatically.

29 Beginning January 1, 1999, in counties of 3,000,000 or
30 more inhabitants, an application for a homestead improvement
31 exemption for a residential structure that has been rebuilt
32 following a catastrophic event must be submitted to the Chief
33 County Assessment Officer with a valuation complaint and a
34 copy of the building permit to rebuild the structure. The

1 Chief County Assessment Officer may require additional
2 documentation which must be provided by the applicant.

3 (Source: P.A. 89-595, eff. 1-1-97; 89-690, eff. 6-1-97;
4 90-14, eff. 7-1-97; 90-186, eff. 7-24-97; 90-655, eff.
5 7-30-98; 90-704, eff. 8-7-98.)

6 (35 ILCS 200/20-178)

7 Sec. 20-178. Certificate of error; refund; interest.
8 When the county collector makes any refunds due on
9 certificates of error issued under Sections 14-15 through
10 14-25 that have been either certified or adjudicated, the
11 county collector shall pay the taxpayer interest on the
12 amount of the refund at the rate of 0.5% per month.

13 No interest shall be due under this Section for any time
14 prior to 60 days after the effective date of this amendatory
15 Act of the 91st General Assembly. For certificates of error
16 issued prior to the effective date of this amendatory Act of
17 the 91st General Assembly, the county collector shall pay the
18 taxpayer interest from 60 days after the effective date of
19 this amendatory Act of the 91st General Assembly until the
20 date the refund is paid. For certificates of error issued on
21 or after the effective date of this amendatory Act of the
22 91st General Assembly, interest shall be paid from 60 days
23 after the certificate of error is issued by the chief county
24 assessment officer to the date the refund is made. To cover
25 the cost of interest, the county collector shall
26 proportionately reduce the distribution of taxes collected
27 for each taxing district in which the property is situated.

28 This Section shall not apply to any certificate of error
29 granting a homestead exemption under Section 15-170, 15-172,
30 ~~or 15-175, or 15-176.~~

31 (Source: P.A. 91-393, eff. 7-30-99.)

32 Section 15. The County Economic Development Project Area

1 Property Tax Allocation Act is amended by changing Section 6
2 as follows:

3 (55 ILCS 85/6) (from Ch. 34, par. 7006)

4 Sec. 6. Filing with county clerk; certification of
5 initial equalized assessed value.

6 (a) The county shall file a certified copy of any
7 ordinance authorizing property tax allocation financing for
8 an economic development project area with the county clerk,
9 and the county clerk shall immediately thereafter determine
10 (1) the most recently ascertained equalized assessed value of
11 each lot, block, tract or parcel of real property within the
12 economic development project area from which shall be
13 deducted the homestead exemptions provided by Sections
14 15-170, and 15-175, and 15-176 of the Property Tax Code,
15 which value shall be the "initial equalized assessed value"
16 of each such piece of property, and (2) the total equalized
17 assessed value of all taxable real property within the
18 economic development project area by adding together the most
19 recently ascertained equalized assessed value of each taxable
20 lot, block, tract, or parcel of real property within such
21 economic development project area, from which shall be
22 deducted the homestead exemptions provided by Sections
23 15-170, and 15-175, and 15-176 of the Property Tax Code. Upon
24 receiving written notice from the Department of its approval
25 and certification of such economic development project area,
26 the county clerk shall immediately certify such amount as the
27 "total initial equalized assessed value" of the taxable
28 property within the economic development project area.

29 (b) After the county clerk has certified the "total
30 initial equalized assessed value" of the taxable real
31 property in the economic development project area, then in
32 respect to every taxing district containing an economic
33 development project area, the county clerk or any other

1 official required by law to ascertain the amount of the
2 equalized assessed value of all taxable property within that
3 taxing district for the purpose of computing the rate percent
4 of tax to be extended upon taxable property within the taxing
5 district, shall in every year that property tax allocation
6 financing is in effect ascertain the amount of value of
7 taxable property in an economic development project area by
8 including in that amount the lower of the current equalized
9 assessed value or the certified "total initial equalized
10 assessed value" of all taxable real property in such area.
11 The rate percent of tax determined shall be extended to the
12 current equalized assessed value of all property in the
13 economic development project area in the same manner as the
14 rate percent of tax is extended to all other taxable property
15 in the taxing district. The method of allocating taxes
16 established under this Section shall terminate when the
17 county adopts an ordinance dissolving the special tax
18 allocation fund for the economic development project area.
19 This Act shall not be construed as relieving property owners
20 within an economic development project area from paying a
21 uniform rate of taxes upon the current equalized assessed
22 value of their taxable property as provided in the Property
23 Tax Code.

24 (Source: P.A. 88-670, eff. 12-2-94.)

25 Section 20. The County Economic Development Project Area
26 Tax Increment Allocation Act of 1991 is amended by changing
27 Section 45 as follows:

28 (55 ILCS 90/45) (from Ch. 34, par. 8045)

29 Sec. 45. Filing with county clerk; certification of
30 initial equalized assessed value.

31 (a) A county that has by ordinance approved an economic
32 development plan, established an economic development project

1 area, and adopted tax increment allocation financing for that
2 area shall file certified copies of the ordinance or
3 ordinances with the county clerk. Upon receiving the
4 ordinance or ordinances, the county clerk shall immediately
5 determine (i) the most recently ascertained equalized
6 assessed value of each lot, block, tract, or parcel of real
7 property within the economic development project area from
8 which shall be deducted the homestead exemptions provided by
9 Sections 15-170, and 15-175, and 15-176 of the Property Tax
10 Code (that value being the "initial equalized assessed value"
11 of each such piece of property) and (ii) the total equalized
12 assessed value of all taxable real property within the
13 economic development project area by adding together the most
14 recently ascertained equalized assessed value of each taxable
15 lot, block, tract, or parcel of real property within the
16 economic development project area, from which shall be
17 deducted the homestead exemptions provided by Sections 15-170
18 and 15-175 of the Property Tax Code, and shall certify that
19 amount as the "total initial equalized assessed value" of the
20 taxable real property within the economic development project
21 area.

22 (b) After the county clerk has certified the "total
23 initial equalized assessed value" of the taxable real
24 property in the economic development project area, then in
25 respect to every taxing district containing an economic
26 development project area, the county clerk or any other
27 official required by law to ascertain the amount of the
28 equalized assessed value of all taxable property within the
29 taxing district for the purpose of computing the rate per
30 cent of tax to be extended upon taxable property within the
31 taxing district shall, in every year that tax increment
32 allocation financing is in effect, ascertain the amount of
33 value of taxable property in an economic development project
34 area by including in that amount the lower of the current

1 equalized assessed value or the certified "total initial
2 equalized assessed value" of all taxable real property in the
3 area. The rate per cent of tax determined shall be extended
4 to the current equalized assessed value of all property in
5 the economic development project area in the same manner as
6 the rate per cent of tax is extended to all other taxable
7 property in the taxing district. The method of extending
8 taxes established under this Section shall terminate when the
9 county adopts an ordinance dissolving the special tax
10 allocation fund for the economic development project area.
11 This Act shall not be construed as relieving property owners
12 within an economic development project area from paying a
13 uniform rate of taxes upon the current equalized assessed
14 value of their taxable property as provided in the Property
15 Tax Code.

16 (Source: P.A. 87-1; 88-670, eff. 12-2-94.)

17 Section 25. The Illinois Municipal Code is amended by
18 changing Sections 11-74.4-8, 11-74.4-9, and 11-74.6-40 as
19 follows:

20 (65 ILCS 5/11-74.4-8) (from Ch. 24, par. 11-74.4-8)

21 Sec. 11-74.4-8. Tax increment allocation financing. A
22 municipality may not adopt tax increment financing in a
23 redevelopment project area after the effective date of this
24 amendatory Act of 1997 that will encompass an area that is
25 currently included in an enterprise zone created under the
26 Illinois Enterprise Zone Act unless that municipality,
27 pursuant to Section 5.4 of the Illinois Enterprise Zone Act,
28 amends the enterprise zone designating ordinance to limit the
29 eligibility for tax abatements as provided in Section 5.4.1
30 of the Illinois Enterprise Zone Act. A municipality, at the
31 time a redevelopment project area is designated, may adopt
32 tax increment allocation financing by passing an ordinance

1 providing that the ad valorem taxes, if any, arising from the
2 levies upon taxable real property in such redevelopment
3 project area by taxing districts and tax rates determined in
4 the manner provided in paragraph (c) of Section 11-74.4-9
5 each year after the effective date of the ordinance until
6 redevelopment project costs and all municipal obligations
7 financing redevelopment project costs incurred under this
8 Division have been paid shall be divided as follows:

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

18 (b) Except from a tax levied by a township to retire
19 bonds issued to satisfy court-ordered damages, that portion,
20 if any, of such taxes which is attributable to the increase
21 in the current equalized assessed valuation of each taxable
22 lot, block, tract or parcel of real property in the
23 redevelopment project area over and above the initial
24 equalized assessed value of each property in the project area
25 shall be allocated to and when collected shall be paid to the
26 municipal treasurer who shall deposit said taxes into a
27 special fund called the special tax allocation fund of the
28 municipality for the purpose of paying redevelopment project
29 costs and obligations incurred in the payment thereof. In any
30 county with a population of 3,000,000 or more that has
31 adopted a procedure for collecting taxes that provides for
32 one or more of the installments of the taxes to be billed and
33 collected on an estimated basis, the municipal treasurer
34 shall be paid for deposit in the special tax allocation fund

1 of the municipality, from the taxes collected from estimated
2 bills issued for property in the redevelopment project area,
3 the difference between the amount actually collected from
4 each taxable lot, block, tract, or parcel of real property
5 within the redevelopment project area and an amount
6 determined by multiplying the rate at which taxes were last
7 extended against the taxable lot, block, track, or parcel of
8 real property in the manner provided in subsection (c) of
9 Section 11-74.4-9 by the initial equalized assessed value of
10 the property divided by the number of installments in which
11 real estate taxes are billed and collected within the county;
12 provided that the payments on or before December 31, 1999 to
13 a municipal treasurer shall be made only if each of the
14 following conditions are met:

15 (1) The total equalized assessed value of the
16 redevelopment project area as last determined was not
17 less than 175% of the total initial equalized assessed
18 value.

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

23 (3) The municipal clerk has certified to the county
24 clerk that the municipality has issued its obligations to
25 which there has been pledged the incremental property
26 taxes of the redevelopment project area or taxes levied
27 and collected on any or all property in the municipality
28 or the full faith and credit of the municipality to pay
29 or secure payment for all or a portion of the
30 redevelopment project costs. The certification shall be
31 filed annually no later than September 1 for the
32 estimated taxes to be distributed in the following year;
33 however, for the year 1992 the certification shall be
34 made at any time on or before March 31, 1992.

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

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

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

1 located within a county with a 1990 population of over
2 750,000 and (d) the redevelopment project area was
3 established by the municipality prior to June 1, 1990. This
4 payment shall be in lieu of a contribution of ad valorem
5 taxes on real property. If no such payment is made, any
6 redevelopment project area of the municipality shall be
7 dissolved.

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

22 (1) That portion of the taxes levied upon each
23 taxable lot, block, tract or parcel of real property
24 which is attributable to the lower of the current
25 equalized assessed value or "current equalized assessed
26 value as adjusted" or the initial equalized assessed
27 value of each such taxable lot, block, tract, or parcel
28 of real property existing at the time tax increment
29 financing was adopted, minus the total current homestead
30 exemptions provided by Sections 15-170, and 15-175, and
31 15-176 of the Property Tax Code in the redevelopment
32 project area shall be allocated to and when collected
33 shall be paid by the county collector to the respective
34 affected taxing districts in the manner required by law

1 in the absence of the adoption of tax increment
2 allocation financing.

3 (2) That portion, if any, of such taxes which is
4 attributable to the increase in the current equalized
5 assessed valuation of each taxable lot, block, tract, or
6 parcel of real property in the redevelopment project
7 area, over and above the initial equalized assessed value
8 of each property existing at the time tax increment
9 financing was adopted, minus the total current homestead
10 exemptions pertaining to each piece of property provided
11 by Sections 15-170, and 15-175, and 15-176 of the
12 Property Tax Code in the redevelopment project area,
13 shall be allocated to and when collected shall be paid to
14 the municipal Treasurer, who shall deposit said taxes
15 into a special fund called the special tax allocation
16 fund of the municipality for the purpose of paying
17 redevelopment project costs and obligations incurred in
18 the payment thereof.

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

30 Whenever a municipality issues bonds for the purpose of
31 financing redevelopment project costs, such municipality may
32 provide by ordinance for the appointment of a trustee, which
33 may be any trust company within the State, and for the
34 establishment of such funds or accounts to be maintained by

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

15 When such redevelopment projects costs, including without
16 limitation all municipal obligations financing redevelopment
17 project costs incurred under this Division, have been paid,
18 all surplus funds then remaining in the special tax
19 allocation fund shall be distributed by being paid by the
20 municipal treasurer to the Department of Revenue, the
21 municipality and the county collector; first to the
22 Department of Revenue and the municipality in direct
23 proportion to the tax incremental revenue received from the
24 State and the municipality, but not to exceed the total
25 incremental revenue received from the State or the
26 municipality less any annual surplus distribution of
27 incremental revenue previously made; with any remaining funds
28 to be paid to the County Collector who shall immediately
29 thereafter pay said funds to the taxing districts in the
30 redevelopment project area in the same manner and proportion
31 as the most recent distribution by the county collector to
32 the affected districts of real property taxes from real
33 property in the redevelopment project area.

34 Upon the payment of all redevelopment project costs, the

1 retirement of obligations, the distribution of any excess
2 monies pursuant to this Section, and final closing of the
3 books and records of the redevelopment project area, the
4 municipality shall adopt an ordinance dissolving the special
5 tax allocation fund for the redevelopment project area and
6 terminating the designation of the redevelopment project area
7 as a redevelopment project area. Title to real or personal
8 property and public improvements acquired by or for the
9 municipality as a result of the redevelopment project and
10 plan shall vest in the municipality when acquired and shall
11 continue to be held by the municipality after the
12 redevelopment project area has been terminated.
13 Municipalities shall notify affected taxing districts prior
14 to November 1 if the redevelopment project area is to be
15 terminated by December 31 of that same year. If a
16 municipality extends estimated dates of completion of a
17 redevelopment project and retirement of obligations to
18 finance a redevelopment project, as allowed by this
19 amendatory Act of 1993, that extension shall not extend the
20 property tax increment allocation financing authorized by
21 this Section. Thereafter the rates of the taxing districts
22 shall be extended and taxes levied, collected and distributed
23 in the manner applicable in the absence of the adoption of
24 tax increment allocation financing.

25 Nothing in this Section shall be construed as relieving
26 property in such redevelopment project areas from being
27 assessed as provided in the Property Tax Code or as relieving
28 owners of such property from paying a uniform rate of taxes,
29 as required by Section 4 of Article 9 of the Illinois
30 Constitution.

31 (Source: P.A. 92-16, eff. 6-28-01; 93-298, eff. 7-23-03.)

32 (65 ILCS 5/11-74.4-9) (from Ch. 24, par. 11-74.4-9)
33 Sec. 11-74.4-9. Equalized assessed value of property.

1 (a) If a municipality by ordinance provides for tax
2 increment allocation financing pursuant to Section 11-74.4-8,
3 the county clerk immediately thereafter shall determine (1)
4 the most recently ascertained equalized assessed value of
5 each lot, block, tract or parcel of real property within such
6 redevelopment project area from which shall be deducted the
7 homestead exemptions provided by Sections 15-170, and 15-175,
8 and 15-176 of the Property Tax Code, which value shall be the
9 "initial equalized assessed value" of each such piece of
10 property, and (2) the total equalized assessed value of all
11 taxable real property within such redevelopment project area
12 by adding together the most recently ascertained equalized
13 assessed value of each taxable lot, block, tract, or parcel
14 of real property within such project area, from which shall
15 be deducted the homestead exemptions provided by Sections
16 15-170, and 15-175, and 15-176 of the Property Tax Code, and
17 shall certify such amount as the "total initial equalized
18 assessed value" of the taxable real property within such
19 project area.

20 (b) In reference to any municipality which has adopted
21 tax increment financing after January 1, 1978, and in respect
22 to which the county clerk has certified the "total initial
23 equalized assessed value" of the property in the
24 redevelopment area, the municipality may thereafter request
25 the clerk in writing to adjust the initial equalized value of
26 all taxable real property within the redevelopment project
27 area by deducting therefrom the exemptions provided for by
28 Sections 15-170, and 15-175, and 15-176 of the Property Tax
29 Code applicable to each lot, block, tract or parcel of real
30 property within such redevelopment project area. The county
31 clerk shall immediately after the written request to adjust
32 the total initial equalized value is received determine the
33 total homestead exemptions in the redevelopment project area
34 provided by Sections 15-170, and 15-175, and 15-176 of the

1 Property Tax Code by adding together the homestead exemptions
2 provided by said Sections on each lot, block, tract or parcel
3 of real property within such redevelopment project area and
4 then shall deduct the total of said exemptions from the total
5 initial equalized assessed value. The county clerk shall
6 then promptly certify such amount as the "total initial
7 equalized assessed value as adjusted" of the taxable real
8 property within such redevelopment project area.

9 (c) After the county clerk has certified the "total
10 initial equalized assessed value" of the taxable real
11 property in such area, then in respect to every taxing
12 district containing a redevelopment project area, the county
13 clerk or any other official required by law to ascertain the
14 amount of the equalized assessed value of all taxable
15 property within such district for the purpose of computing
16 the rate per cent of tax to be extended upon taxable property
17 within such district, shall in every year that tax increment
18 allocation financing is in effect ascertain the amount of
19 value of taxable property in a redevelopment project area by
20 including in such amount the lower of the current equalized
21 assessed value or the certified "total initial equalized
22 assessed value" of all taxable real property in such area,
23 except that after he has certified the "total initial
24 equalized assessed value as adjusted" he shall in the year of
25 said certification if tax rates have not been extended and in
26 every year thereafter that tax increment allocation financing
27 is in effect ascertain the amount of value of taxable
28 property in a redevelopment project area by including in such
29 amount the lower of the current equalized assessed value or
30 the certified "total initial equalized assessed value as
31 adjusted" of all taxable real property in such area. The rate
32 per cent of tax determined shall be extended to the current
33 equalized assessed value of all property in the redevelopment
34 project area in the same manner as the rate per cent of tax

1 is extended to all other taxable property in the taxing
 2 district. The method of extending taxes established under
 3 this Section shall terminate when the municipality adopts an
 4 ordinance dissolving the special tax allocation fund for the
 5 redevelopment project area. This Division shall not be
 6 construed as relieving property owners within a redevelopment
 7 project area from paying a uniform rate of taxes upon the
 8 current equalized assessed value of their taxable property as
 9 provided in the Property Tax Code.

10 (Source: P.A. 88-670, eff. 12-2-94.)

11 (65 ILCS 5/11-74.6-40)

12 Sec. 11-74.6-40. Equalized assessed value determination;
 13 property tax extension.

14 (a) If a municipality by ordinance provides for tax
 15 increment allocation financing under Section 11-74.6-35, the
 16 county clerk immediately thereafter:

17 (1) shall determine the initial equalized assessed
 18 value of each parcel of real property in the
 19 redevelopment project area, which is the most recently
 20 established equalized assessed value of each lot, block,
 21 tract or parcel of taxable real property within the
 22 redevelopment project area, minus the homestead
 23 exemptions provided by Sections 15-170, and 15-175, and
 24 15-176 of the Property Tax Code; and

25 (2) shall certify to the municipality the total
 26 initial equalized assessed value of all taxable real
 27 property within the redevelopment project area.

28 (b) Any municipality that has established a vacant
 29 industrial buildings conservation area may, by ordinance
 30 passed after the adoption of tax increment allocation
 31 financing, provide that the county clerk immediately
 32 thereafter shall again determine:

33 (1) the updated initial equalized assessed value of

1 each lot, block, tract or parcel of real property, which
2 is the most recently ascertained equalized assessed value
3 of each lot, block, tract or parcel of real property
4 within the vacant industrial buildings conservation area;
5 and

6 (2) the total updated initial equalized assessed
7 value of all taxable real property within the
8 redevelopment project area, which is the total of the
9 updated initial equalized assessed value of all taxable
10 real property within the vacant industrial buildings
11 conservation area.

12 The county clerk shall certify to the municipality the
13 total updated initial equalized assessed value of all taxable
14 real property within the industrial buildings conservation
15 area.

16 (c) After the county clerk has certified the total
17 initial equalized assessed value or the total updated initial
18 equalized assessed value of the taxable real property in the
19 area, for each taxing district in which a redevelopment
20 project area is situated, the county clerk or any other
21 official required by law to determine the amount of the
22 equalized assessed value of all taxable property within the
23 district for the purpose of computing the percentage rate of
24 tax to be extended upon taxable property within the district,
25 shall in every year that tax increment allocation financing
26 is in effect determine the total equalized assessed value of
27 taxable property in a redevelopment project area by including
28 in that amount the lower of the current equalized assessed
29 value or the certified total initial equalized assessed value
30 or, if the total of updated equalized assessed value has been
31 certified, the total updated initial equalized assessed value
32 of all taxable real property in the redevelopment project
33 area. After he has certified the total initial equalized
34 assessed value he shall in the year of that certification, if

1 tax rates have not been extended, and in every subsequent
2 year that tax increment allocation financing is in effect,
3 determine the amount of equalized assessed value of taxable
4 property in a redevelopment project area by including in that
5 amount the lower of the current total equalized assessed
6 value or the certified total initial equalized assessed value
7 or, if the total of updated initial equalized assessed values
8 have been certified, the total updated initial equalized
9 assessed value of all taxable real property in the
10 redevelopment project area.

11 (d) The percentage rate of tax determined shall be
12 extended on the current equalized assessed value of all
13 property in the redevelopment project area in the same manner
14 as the rate per cent of tax is extended to all other taxable
15 property in the taxing district. The method of extending
16 taxes established under this Section shall terminate when the
17 municipality adopts an ordinance dissolving the special tax
18 allocation fund for the redevelopment project area. This Law
19 shall not be construed as relieving property owners within a
20 redevelopment project area from paying a uniform rate of
21 taxes upon the current equalized assessed value of their
22 taxable property as provided in the Property Tax Code.

23 (Source: P.A. 88-537; 88-670, eff. 12-2-94.)

24 Section 30. The Economic Development Project Area Tax
25 Increment Allocation Act of 1995 is amended by changing
26 Section 45 as follows:

27 (65 ILCS 110/45)

28 Sec. 45. Filing with county clerk; certification of
29 initial equalized assessed value.

30 (a) A municipality that has by ordinance approved an
31 economic development plan, established an economic
32 development project area, and adopted tax increment

1 allocation financing for that area shall file certified
2 copies of the ordinance or ordinances with the county clerk.
3 Upon receiving the ordinance or ordinances, the county clerk
4 shall immediately determine (i) the most recently ascertained
5 equalized assessed value of each lot, block, tract, or parcel
6 of real property within the economic development project area
7 from which shall be deducted the homestead exemptions
8 provided by Sections 15-170, and 15-175, and 15-176 of the
9 Property Tax Code (that value being the "initial equalized
10 assessed value" of each such piece of property) and (ii) the
11 total equalized assessed value of all taxable real property
12 within the economic development project area by adding
13 together the most recently ascertained equalized assessed
14 value of each taxable lot, block, tract, or parcel of real
15 property within the economic development project area, from
16 which shall be deducted the homestead exemptions provided by
17 Sections 15-170, and 15-175, and 15-176 of the Property Tax
18 Code, and shall certify that amount as the "total initial
19 equalized assessed value" of the taxable real property within
20 the economic development project area.

21 (b) After the county clerk has certified the "total
22 initial equalized assessed value" of the taxable real
23 property in the economic development project area, then in
24 respect to every taxing district containing an economic
25 development project area, the county clerk or any other
26 official required by law to ascertain the amount of the
27 equalized assessed value of all taxable property within the
28 taxing district for the purpose of computing the rate per
29 cent of tax to be extended upon taxable property within the
30 taxing district shall, in every year that tax increment
31 allocation financing is in effect, ascertain the amount of
32 value of taxable property in an economic development project
33 area by including in that amount the lower of the current
34 equalized assessed value or the certified "total initial

1 equalized assessed value" of all taxable real property in the
2 area. The rate per cent of tax determined shall be extended
3 to the current equalized assessed value of all property in
4 the economic development project area in the same manner as
5 the rate per cent of tax is extended to all other taxable
6 property in the taxing district. The method of extending
7 taxes established under this Section shall terminate when the
8 municipality adopts an ordinance dissolving the special tax
9 allocation fund for the economic development project area.
10 This Act shall not be construed as relieving owners or
11 lessees of property within an economic development project
12 area from paying a uniform rate of taxes upon the current
13 equalized assessed value of their taxable property as
14 provided in the Property Tax Code.

15 (Source: P.A. 89-176, eff. 1-1-96.)

16 Section 35. The School Code is amended by changing
17 Section 18-8.05 as follows:

18 (105 ILCS 5/18-8.05)

19 Sec. 18-8.05. Basis for apportionment of general State
20 financial aid and supplemental general State aid to the
21 common schools for the 1998-1999 and subsequent school years.

22 (A) General Provisions.

23 (1) The provisions of this Section apply to the
24 1998-1999 and subsequent school years. The system of general
25 State financial aid provided for in this Section is designed
26 to assure that, through a combination of State financial aid
27 and required local resources, the financial support provided
28 each pupil in Average Daily Attendance equals or exceeds a
29 prescribed per pupil Foundation Level. This formula approach
30 imputes a level of per pupil Available Local Resources and
31 provides for the basis to calculate a per pupil level of
32 general State financial aid that, when added to Available

1 Local Resources, equals or exceeds the Foundation Level. The
2 amount of per pupil general State financial aid for school
3 districts, in general, varies in inverse relation to
4 Available Local Resources. Per pupil amounts are based upon
5 each school district's Average Daily Attendance as that term
6 is defined in this Section.

7 (2) In addition to general State financial aid, school
8 districts with specified levels or concentrations of pupils
9 from low income households are eligible to receive
10 supplemental general State financial aid grants as provided
11 pursuant to subsection (H). The supplemental State aid grants
12 provided for school districts under subsection (H) shall be
13 appropriated for distribution to school districts as part of
14 the same line item in which the general State financial aid
15 of school districts is appropriated under this Section.

16 (3) To receive financial assistance under this Section,
17 school districts are required to file claims with the State
18 Board of Education, subject to the following requirements:

19 (a) Any school district which fails for any given
20 school year to maintain school as required by law, or to
21 maintain a recognized school is not eligible to file for
22 such school year any claim upon the Common School Fund.
23 In case of nonrecognition of one or more attendance
24 centers in a school district otherwise operating
25 recognized schools, the claim of the district shall be
26 reduced in the proportion which the Average Daily
27 Attendance in the attendance center or centers bear to
28 the Average Daily Attendance in the school district. A
29 "recognized school" means any public school which meets
30 the standards as established for recognition by the State
31 Board of Education. A school district or attendance
32 center not having recognition status at the end of a
33 school term is entitled to receive State aid payments due
34 upon a legal claim which was filed while it was

1 recognized.

2 (b) School district claims filed under this Section
3 are subject to Sections 18-9, 18-10, and 18-12, except as
4 otherwise provided in this Section.

5 (c) If a school district operates a full year
6 school under Section 10-19.1, the general State aid to
7 the school district shall be determined by the State
8 Board of Education in accordance with this Section as
9 near as may be applicable.

10 (d) (Blank).

11 (4) Except as provided in subsections (H) and (L), the
12 board of any district receiving any of the grants provided
13 for in this Section may apply those funds to any fund so
14 received for which that board is authorized to make
15 expenditures by law.

16 School districts are not required to exert a minimum
17 Operating Tax Rate in order to qualify for assistance under
18 this Section.

19 (5) As used in this Section the following terms, when
20 capitalized, shall have the meaning ascribed herein:

21 (a) "Average Daily Attendance": A count of pupil
22 attendance in school, averaged as provided for in
23 subsection (C) and utilized in deriving per pupil
24 financial support levels.

25 (b) "Available Local Resources": A computation of
26 local financial support, calculated on the basis of
27 Average Daily Attendance and derived as provided pursuant
28 to subsection (D).

29 (c) "Corporate Personal Property Replacement
30 Taxes": Funds paid to local school districts pursuant to
31 "An Act in relation to the abolition of ad valorem
32 personal property tax and the replacement of revenues
33 lost thereby, and amending and repealing certain Acts and
34 parts of Acts in connection therewith", certified August

1 14, 1979, as amended (Public Act 81-1st S.S.-1).

2 (d) "Foundation Level": A prescribed level of per
3 pupil financial support as provided for in subsection
4 (B).

5 (e) "Operating Tax Rate": All school district
6 property taxes extended for all purposes, except Bond and
7 Interest, Summer School, Rent, Capital Improvement, and
8 Vocational Education Building purposes.

9 (B) Foundation Level.

10 (1) The Foundation Level is a figure established by the
11 State representing the minimum level of per pupil financial
12 support that should be available to provide for the basic
13 education of each pupil in Average Daily Attendance. As set
14 forth in this Section, each school district is assumed to
15 exert a sufficient local taxing effort such that, in
16 combination with the aggregate of general State financial aid
17 provided the district, an aggregate of State and local
18 resources are available to meet the basic education needs of
19 pupils in the district.

20 (2) For the 1998-1999 school year, the Foundation Level
21 of support is \$4,225. For the 1999-2000 school year, the
22 Foundation Level of support is \$4,325. For the 2000-2001
23 school year, the Foundation Level of support is \$4,425.

24 (3) For the 2001-2002 school year and 2002-2003 school
25 year, the Foundation Level of support is \$4,560.

26 (4) For the 2003-2004 school year and each school year
27 thereafter, the Foundation Level of support is \$4,810 or such
28 greater amount as may be established by law by the General
29 Assembly.

30 (C) Average Daily Attendance.

31 (1) For purposes of calculating general State aid
32 pursuant to subsection (E), an Average Daily Attendance
33 figure shall be utilized. The Average Daily Attendance

1 figure for formula calculation purposes shall be the monthly
2 average of the actual number of pupils in attendance of each
3 school district, as further averaged for the best 3 months of
4 pupil attendance for each school district. In compiling the
5 figures for the number of pupils in attendance, school
6 districts and the State Board of Education shall, for
7 purposes of general State aid funding, conform attendance
8 figures to the requirements of subsection (F).

9 (2) The Average Daily Attendance figures utilized in
10 subsection (E) shall be the requisite attendance data for the
11 school year immediately preceding the school year for which
12 general State aid is being calculated or the average of the
13 attendance data for the 3 preceding school years, whichever
14 is greater. The Average Daily Attendance figures utilized in
15 subsection (H) shall be the requisite attendance data for the
16 school year immediately preceding the school year for which
17 general State aid is being calculated.

18 (D) Available Local Resources.

19 (1) For purposes of calculating general State aid
20 pursuant to subsection (E), a representation of Available
21 Local Resources per pupil, as that term is defined and
22 determined in this subsection, shall be utilized. Available
23 Local Resources per pupil shall include a calculated dollar
24 amount representing local school district revenues from local
25 property taxes and from Corporate Personal Property
26 Replacement Taxes, expressed on the basis of pupils in
27 Average Daily Attendance.

28 (2) In determining a school district's revenue from
29 local property taxes, the State Board of Education shall
30 utilize the equalized assessed valuation of all taxable
31 property of each school district as of September 30 of the
32 previous year. The equalized assessed valuation utilized
33 shall be obtained and determined as provided in subsection
34 (G).

1 (3) For school districts maintaining grades kindergarten
2 through 12, local property tax revenues per pupil shall be
3 calculated as the product of the applicable equalized
4 assessed valuation for the district multiplied by 3.00%, and
5 divided by the district's Average Daily Attendance figure.
6 For school districts maintaining grades kindergarten through
7 8, local property tax revenues per pupil shall be calculated
8 as the product of the applicable equalized assessed valuation
9 for the district multiplied by 2.30%, and divided by the
10 district's Average Daily Attendance figure. For school
11 districts maintaining grades 9 through 12, local property tax
12 revenues per pupil shall be the applicable equalized assessed
13 valuation of the district multiplied by 1.05%, and divided by
14 the district's Average Daily Attendance figure.

15 (4) The Corporate Personal Property Replacement Taxes
16 paid to each school district during the calendar year 2 years
17 before the calendar year in which a school year begins,
18 divided by the Average Daily Attendance figure for that
19 district, shall be added to the local property tax revenues
20 per pupil as derived by the application of the immediately
21 preceding paragraph (3). The sum of these per pupil figures
22 for each school district shall constitute Available Local
23 Resources as that term is utilized in subsection (E) in the
24 calculation of general State aid.

25 (E) Computation of General State Aid.

26 (1) For each school year, the amount of general State
27 aid allotted to a school district shall be computed by the
28 State Board of Education as provided in this subsection.

29 (2) For any school district for which Available Local
30 Resources per pupil is less than the product of 0.93 times
31 the Foundation Level, general State aid for that district
32 shall be calculated as an amount equal to the Foundation
33 Level minus Available Local Resources, multiplied by the
34 Average Daily Attendance of the school district.

1 (3) For any school district for which Available Local
2 Resources per pupil is equal to or greater than the product
3 of 0.93 times the Foundation Level and less than the product
4 of 1.75 times the Foundation Level, the general State aid per
5 pupil shall be a decimal proportion of the Foundation Level
6 derived using a linear algorithm. Under this linear
7 algorithm, the calculated general State aid per pupil shall
8 decline in direct linear fashion from 0.07 times the
9 Foundation Level for a school district with Available Local
10 Resources equal to the product of 0.93 times the Foundation
11 Level, to 0.05 times the Foundation Level for a school
12 district with Available Local Resources equal to the product
13 of 1.75 times the Foundation Level. The allocation of
14 general State aid for school districts subject to this
15 paragraph 3 shall be the calculated general State aid per
16 pupil figure multiplied by the Average Daily Attendance of
17 the school district.

18 (4) For any school district for which Available Local
19 Resources per pupil equals or exceeds the product of 1.75
20 times the Foundation Level, the general State aid for the
21 school district shall be calculated as the product of \$218
22 multiplied by the Average Daily Attendance of the school
23 district.

24 (5) The amount of general State aid allocated to a
25 school district for the 1999-2000 school year meeting the
26 requirements set forth in paragraph (4) of subsection (G)
27 shall be increased by an amount equal to the general State
28 aid that would have been received by the district for the
29 1998-1999 school year by utilizing the Extension Limitation
30 Equalized Assessed Valuation as calculated in paragraph (4)
31 of subsection (G) less the general State aid allotted for the
32 1998-1999 school year. This amount shall be deemed a one
33 time increase, and shall not affect any future general State
34 aid allocations.

1 (F) Compilation of Average Daily Attendance.

2 (1) Each school district shall, by July 1 of each year,
3 submit to the State Board of Education, on forms prescribed
4 by the State Board of Education, attendance figures for the
5 school year that began in the preceding calendar year. The
6 attendance information so transmitted shall identify the
7 average daily attendance figures for each month of the school
8 year. Beginning with the general State aid claim form for
9 the 2002-2003 school year, districts shall calculate Average
10 Daily Attendance as provided in subdivisions (a), (b), and
11 (c) of this paragraph (1).

12 (a) In districts that do not hold year-round
13 classes, days of attendance in August shall be added to
14 the month of September and any days of attendance in June
15 shall be added to the month of May.

16 (b) In districts in which all buildings hold
17 year-round classes, days of attendance in July and August
18 shall be added to the month of September and any days of
19 attendance in June shall be added to the month of May.

20 (c) In districts in which some buildings, but not
21 all, hold year-round classes, for the non-year-round
22 buildings, days of attendance in August shall be added to
23 the month of September and any days of attendance in June
24 shall be added to the month of May. The average daily
25 attendance for the year-round buildings shall be computed
26 as provided in subdivision (b) of this paragraph (1). To
27 calculate the Average Daily Attendance for the district,
28 the average daily attendance for the year-round buildings
29 shall be multiplied by the days in session for the
30 non-year-round buildings for each month and added to the
31 monthly attendance of the non-year-round buildings.

32 Except as otherwise provided in this Section, days of
33 attendance by pupils shall be counted only for sessions of
34 not less than 5 clock hours of school work per day under

1 direct supervision of: (i) teachers, or (ii) non-teaching
2 personnel or volunteer personnel when engaging in
3 non-teaching duties and supervising in those instances
4 specified in subsection (a) of Section 10-22.34 and paragraph
5 10 of Section 34-18, with pupils of legal school age and in
6 kindergarten and grades 1 through 12.

7 Days of attendance by tuition pupils shall be accredited
8 only to the districts that pay the tuition to a recognized
9 school.

10 (2) Days of attendance by pupils of less than 5 clock
11 hours of school shall be subject to the following provisions
12 in the compilation of Average Daily Attendance.

13 (a) Pupils regularly enrolled in a public school
14 for only a part of the school day may be counted on the
15 basis of 1/6 day for every class hour of instruction of
16 40 minutes or more attended pursuant to such enrollment,
17 unless a pupil is enrolled in a block-schedule format of
18 80 minutes or more of instruction, in which case the
19 pupil may be counted on the basis of the proportion of
20 minutes of school work completed each day to the minimum
21 number of minutes that school work is required to be held
22 that day.

23 (b) Days of attendance may be less than 5 clock
24 hours on the opening and closing of the school term, and
25 upon the first day of pupil attendance, if preceded by a
26 day or days utilized as an institute or teachers'
27 workshop.

28 (c) A session of 4 or more clock hours may be
29 counted as a day of attendance upon certification by the
30 regional superintendent, and approved by the State
31 Superintendent of Education to the extent that the
32 district has been forced to use daily multiple sessions.

33 (d) A session of 3 or more clock hours may be
34 counted as a day of attendance (1) when the remainder of

1 the school day or at least 2 hours in the evening of that
2 day is utilized for an in-service training program for
3 teachers, up to a maximum of 5 days per school year of
4 which a maximum of 4 days of such 5 days may be used for
5 parent-teacher conferences, provided a district conducts
6 an in-service training program for teachers which has
7 been approved by the State Superintendent of Education;
8 or, in lieu of 4 such days, 2 full days may be used, in
9 which event each such day may be counted as a day of
10 attendance; and (2) when days in addition to those
11 provided in item (1) are scheduled by a school pursuant
12 to its school improvement plan adopted under Article 34
13 or its revised or amended school improvement plan adopted
14 under Article 2, provided that (i) such sessions of 3 or
15 more clock hours are scheduled to occur at regular
16 intervals, (ii) the remainder of the school days in which
17 such sessions occur are utilized for in-service training
18 programs or other staff development activities for
19 teachers, and (iii) a sufficient number of minutes of
20 school work under the direct supervision of teachers are
21 added to the school days between such regularly scheduled
22 sessions to accumulate not less than the number of
23 minutes by which such sessions of 3 or more clock hours
24 fall short of 5 clock hours. Any full days used for the
25 purposes of this paragraph shall not be considered for
26 computing average daily attendance. Days scheduled for
27 in-service training programs, staff development
28 activities, or parent-teacher conferences may be
29 scheduled separately for different grade levels and
30 different attendance centers of the district.

31 (e) A session of not less than one clock hour of
32 teaching hospitalized or homebound pupils on-site or by
33 telephone to the classroom may be counted as 1/2 day of
34 attendance, however these pupils must receive 4 or more

1 clock hours of instruction to be counted for a full day
2 of attendance.

3 (f) A session of at least 4 clock hours may be
4 counted as a day of attendance for first grade pupils,
5 and pupils in full day kindergartens, and a session of 2
6 or more hours may be counted as 1/2 day of attendance by
7 pupils in kindergartens which provide only 1/2 day of
8 attendance.

9 (g) For children with disabilities who are below
10 the age of 6 years and who cannot attend 2 or more clock
11 hours because of their disability or immaturity, a
12 session of not less than one clock hour may be counted as
13 1/2 day of attendance; however for such children whose
14 educational needs so require a session of 4 or more clock
15 hours may be counted as a full day of attendance.

16 (h) A recognized kindergarten which provides for
17 only 1/2 day of attendance by each pupil shall not have
18 more than 1/2 day of attendance counted in any one day.
19 However, kindergartens may count 2 1/2 days of attendance
20 in any 5 consecutive school days. When a pupil attends
21 such a kindergarten for 2 half days on any one school
22 day, the pupil shall have the following day as a day
23 absent from school, unless the school district obtains
24 permission in writing from the State Superintendent of
25 Education. Attendance at kindergartens which provide for
26 a full day of attendance by each pupil shall be counted
27 the same as attendance by first grade pupils. Only the
28 first year of attendance in one kindergarten shall be
29 counted, except in case of children who entered the
30 kindergarten in their fifth year whose educational
31 development requires a second year of kindergarten as
32 determined under the rules and regulations of the State
33 Board of Education.

34 (G) Equalized Assessed Valuation Data.

1 (1) For purposes of the calculation of Available Local
2 Resources required pursuant to subsection (D), the State
3 Board of Education shall secure from the Department of
4 Revenue the value as equalized or assessed by the Department
5 of Revenue of all taxable property of every school district,
6 together with (i) the applicable tax rate used in extending
7 taxes for the funds of the district as of September 30 of the
8 previous year and (ii) the limiting rate for all school
9 districts subject to property tax extension limitations as
10 imposed under the Property Tax Extension Limitation Law. The
11 Department of Revenue shall add to the equalized assessed
12 value of all taxable property of each school district
13 situated entirely or partially within a county with 3,000,000
14 or more inhabitants an amount equal to the total amount by
15 which the homestead exemption allowed under Section 15-176 of
16 the Property Tax Code for real property situated in that
17 school district exceeds the total amount that would have been
18 allowed in that school district if the maximum reduction
19 under Section 15-176 was \$4,500. The county clerk of any
20 county with 3,000,000 or more inhabitants shall annually
21 calculate and certify to the Department of Revenue for each
22 school district all homestead exemption amounts under Section
23 15-176.

24 This equalized assessed valuation, as adjusted further by
25 the requirements of this subsection, shall be utilized in the
26 calculation of Available Local Resources.

27 (2) The equalized assessed valuation in paragraph (1)
28 shall be adjusted, as applicable, in the following manner:

29 (a) For the purposes of calculating State aid under
30 this Section, with respect to any part of a school
31 district within a redevelopment project area in respect
32 to which a municipality has adopted tax increment
33 allocation financing pursuant to the Tax Increment
34 Allocation Redevelopment Act, Sections 11-74.4-1 through

1 11-74.4-11 of the Illinois Municipal Code or the
2 Industrial Jobs Recovery Law, Sections 11-74.6-1 through
3 11-74.6-50 of the Illinois Municipal Code, no part of the
4 current equalized assessed valuation of real property
5 located in any such project area which is attributable to
6 an increase above the total initial equalized assessed
7 valuation of such property shall be used as part of the
8 equalized assessed valuation of the district, until such
9 time as all redevelopment project costs have been paid,
10 as provided in Section 11-74.4-8 of the Tax Increment
11 Allocation Redevelopment Act or in Section 11-74.6-35 of
12 the Industrial Jobs Recovery Law. For the purpose of the
13 equalized assessed valuation of the district, the total
14 initial equalized assessed valuation or the current
15 equalized assessed valuation, whichever is lower, shall
16 be used until such time as all redevelopment project
17 costs have been paid.

18 (b) The real property equalized assessed valuation
19 for a school district shall be adjusted by subtracting
20 from the real property value as equalized or assessed by
21 the Department of Revenue for the district an amount
22 computed by dividing the amount of any abatement of taxes
23 under Section 18-170 of the Property Tax Code by 3.00%
24 for a district maintaining grades kindergarten through
25 12, by 2.30% for a district maintaining grades
26 kindergarten through 8, or by 1.05% for a district
27 maintaining grades 9 through 12 and adjusted by an amount
28 computed by dividing the amount of any abatement of taxes
29 under subsection (a) of Section 18-165 of the Property
30 Tax Code by the same percentage rates for district type
31 as specified in this subparagraph (b).

32 (3) For the 1999-2000 school year and each school year
33 thereafter, if a school district meets all of the criteria of
34 this subsection (G)(3), the school district's Available Local

1 Resources shall be calculated under subsection (D) using the
2 district's Extension Limitation Equalized Assessed Valuation
3 as calculated under this subsection (G)(3).

4 For purposes of this subsection (G)(3) the following
5 terms shall have the following meanings:

6 "Budget Year": The school year for which general
7 State aid is calculated and awarded under subsection (E).

8 "Base Tax Year": The property tax levy year used to
9 calculate the Budget Year allocation of general State
10 aid.

11 "Preceding Tax Year": The property tax levy year
12 immediately preceding the Base Tax Year.

13 "Base Tax Year's Tax Extension": The product of the
14 equalized assessed valuation utilized by the County Clerk
15 in the Base Tax Year multiplied by the limiting rate as
16 calculated by the County Clerk and defined in the
17 Property Tax Extension Limitation Law.

18 "Preceding Tax Year's Tax Extension": The product of
19 the equalized assessed valuation utilized by the County
20 Clerk in the Preceding Tax Year multiplied by the
21 Operating Tax Rate as defined in subsection (A).

22 "Extension Limitation Ratio": A numerical ratio,
23 certified by the County Clerk, in which the numerator is
24 the Base Tax Year's Tax Extension and the denominator is
25 the Preceding Tax Year's Tax Extension.

26 "Operating Tax Rate": The operating tax rate as
27 defined in subsection (A).

28 If a school district is subject to property tax extension
29 limitations as imposed under the Property Tax Extension
30 Limitation Law, the State Board of Education shall calculate
31 the Extension Limitation Equalized Assessed Valuation of that
32 district. For the 1999-2000 school year, the Extension
33 Limitation Equalized Assessed Valuation of a school district
34 as calculated by the State Board of Education shall be equal

1 to the product of the district's 1996 Equalized Assessed
2 Valuation and the district's Extension Limitation Ratio. For
3 the 2000-2001 school year and each school year thereafter,
4 the Extension Limitation Equalized Assessed Valuation of a
5 school district as calculated by the State Board of Education
6 shall be equal to the product of the Equalized Assessed
7 Valuation last used in the calculation of general State aid
8 and the district's Extension Limitation Ratio. If the
9 Extension Limitation Equalized Assessed Valuation of a school
10 district as calculated under this subsection (G)(3) is less
11 than the district's equalized assessed valuation as
12 calculated pursuant to subsections (G)(1) and (G)(2), then
13 for purposes of calculating the district's general State aid
14 for the Budget Year pursuant to subsection (E), that
15 Extension Limitation Equalized Assessed Valuation shall be
16 utilized to calculate the district's Available Local
17 Resources under subsection (D).

18 (4) For the purposes of calculating general State aid
19 for the 1999-2000 school year only, if a school district
20 experienced a triennial reassessment on the equalized
21 assessed valuation used in calculating its general State
22 financial aid apportionment for the 1998-1999 school year,
23 the State Board of Education shall calculate the Extension
24 Limitation Equalized Assessed Valuation that would have been
25 used to calculate the district's 1998-1999 general State aid.
26 This amount shall equal the product of the equalized assessed
27 valuation used to calculate general State aid for the
28 1997-1998 school year and the district's Extension Limitation
29 Ratio. If the Extension Limitation Equalized Assessed
30 Valuation of the school district as calculated under this
31 paragraph (4) is less than the district's equalized assessed
32 valuation utilized in calculating the district's 1998-1999
33 general State aid allocation, then for purposes of
34 calculating the district's general State aid pursuant to

1 paragraph (5) of subsection (E), that Extension Limitation
2 Equalized Assessed Valuation shall be utilized to calculate
3 the district's Available Local Resources.

4 (5) For school districts having a majority of their
5 equalized assessed valuation in any county except Cook,
6 DuPage, Kane, Lake, McHenry, or Will, if the amount of
7 general State aid allocated to the school district for the
8 1999-2000 school year under the provisions of subsection (E),
9 (H), and (J) of this Section is less than the amount of
10 general State aid allocated to the district for the 1998-1999
11 school year under these subsections, then the general State
12 aid of the district for the 1999-2000 school year only shall
13 be increased by the difference between these amounts. The
14 total payments made under this paragraph (5) shall not exceed
15 \$14,000,000. Claims shall be prorated if they exceed
16 \$14,000,000.

17 (H) Supplemental General State Aid.

18 (1) In addition to the general State aid a school
19 district is allotted pursuant to subsection (E), qualifying
20 school districts shall receive a grant, paid in conjunction
21 with a district's payments of general State aid, for
22 supplemental general State aid based upon the concentration
23 level of children from low-income households within the
24 school district. Supplemental State aid grants provided for
25 school districts under this subsection shall be appropriated
26 for distribution to school districts as part of the same line
27 item in which the general State financial aid of school
28 districts is appropriated under this Section. If the
29 appropriation in any fiscal year for general State aid and
30 supplemental general State aid is insufficient to pay the
31 amounts required under the general State aid and supplemental
32 general State aid calculations, then the State Board of
33 Education shall ensure that each school district receives the
34 full amount due for general State aid and the remainder of

1 the appropriation shall be used for supplemental general
2 State aid, which the State Board of Education shall calculate
3 and pay to eligible districts on a prorated basis.

4 (1.5) This paragraph (1.5) applies only to those school
5 years preceding the 2003-2004 school year. For purposes of
6 this subsection (H), the term "Low-Income Concentration
7 Level" shall be the low-income eligible pupil count from the
8 most recently available federal census divided by the Average
9 Daily Attendance of the school district. If, however, (i) the
10 percentage decrease from the 2 most recent federal censuses
11 in the low-income eligible pupil count of a high school
12 district with fewer than 400 students exceeds by 75% or more
13 the percentage change in the total low-income eligible pupil
14 count of contiguous elementary school districts, whose
15 boundaries are coterminous with the high school district, or
16 (ii) a high school district within 2 counties and serving 5
17 elementary school districts, whose boundaries are coterminous
18 with the high school district, has a percentage decrease from
19 the 2 most recent federal censuses in the low-income eligible
20 pupil count and there is a percentage increase in the total
21 low-income eligible pupil count of a majority of the
22 elementary school districts in excess of 50% from the 2 most
23 recent federal censuses, then the high school district's
24 low-income eligible pupil count from the earlier federal
25 census shall be the number used as the low-income eligible
26 pupil count for the high school district, for purposes of
27 this subsection (H). The changes made to this paragraph (1)
28 by Public Act 92-28 shall apply to supplemental general State
29 aid grants for school years preceding the 2003-2004 school
30 year that are paid in fiscal year 1999 or thereafter and to
31 any State aid payments made in fiscal year 1994 through
32 fiscal year 1998 pursuant to subsection 1(n) of Section 18-8
33 of this Code (which was repealed on July 1, 1998), and any
34 high school district that is affected by Public Act 92-28 is

1 entitled to a recomputation of its supplemental general State
2 aid grant or State aid paid in any of those fiscal years.
3 This recomputation shall not be affected by any other
4 funding.

5 (1.10) This paragraph (1.10) applies to the 2003-2004
6 school year and each school year thereafter. For purposes of
7 this subsection (H), the term "Low-Income Concentration
8 Level" shall, for each fiscal year, be the low-income
9 eligible pupil count as of July 1 of the immediately
10 preceding fiscal year (as determined by the Department of
11 Human Services based on the number of pupils who are eligible
12 for at least one of the following low income programs:
13 Medicaid, KidCare, TANF, or Food Stamps, excluding pupils who
14 are eligible for services provided by the Department of
15 Children and Family Services, averaged over the 2 immediately
16 preceding fiscal years for fiscal year 2004 and over the 3
17 immediately preceding fiscal years for each fiscal year
18 thereafter) divided by the Average Daily Attendance of the
19 school district.

20 (2) Supplemental general State aid pursuant to this
21 subsection (H) shall be provided as follows for the
22 1998-1999, 1999-2000, and 2000-2001 school years only:

23 (a) For any school district with a Low Income
24 Concentration Level of at least 20% and less than 35%,
25 the grant for any school year shall be \$800 multiplied by
26 the low income eligible pupil count.

27 (b) For any school district with a Low Income
28 Concentration Level of at least 35% and less than 50%,
29 the grant for the 1998-1999 school year shall be \$1,100
30 multiplied by the low income eligible pupil count.

31 (c) For any school district with a Low Income
32 Concentration Level of at least 50% and less than 60%,
33 the grant for the 1998-99 school year shall be \$1,500
34 multiplied by the low income eligible pupil count.

1 (d) For any school district with a Low Income
2 Concentration Level of 60% or more, the grant for the
3 1998-99 school year shall be \$1,900 multiplied by the low
4 income eligible pupil count.

5 (e) For the 1999-2000 school year, the per pupil
6 amount specified in subparagraphs (b), (c), and (d)
7 immediately above shall be increased to \$1,243, \$1,600,
8 and \$2,000, respectively.

9 (f) For the 2000-2001 school year, the per pupil
10 amounts specified in subparagraphs (b), (c), and (d)
11 immediately above shall be \$1,273, \$1,640, and \$2,050,
12 respectively.

13 (2.5) Supplemental general State aid pursuant to this
14 subsection (H) shall be provided as follows for the 2002-2003
15 school year:

16 (a) For any school district with a Low Income
17 Concentration Level of less than 10%, the grant for each
18 school year shall be \$355 multiplied by the low income
19 eligible pupil count.

20 (b) For any school district with a Low Income
21 Concentration Level of at least 10% and less than 20%,
22 the grant for each school year shall be \$675 multiplied
23 by the low income eligible pupil count.

24 (c) For any school district with a Low Income
25 Concentration Level of at least 20% and less than 35%,
26 the grant for each school year shall be \$1,330 multiplied
27 by the low income eligible pupil count.

28 (d) For any school district with a Low Income
29 Concentration Level of at least 35% and less than 50%,
30 the grant for each school year shall be \$1,362 multiplied
31 by the low income eligible pupil count.

32 (e) For any school district with a Low Income
33 Concentration Level of at least 50% and less than 60%,
34 the grant for each school year shall be \$1,680 multiplied

1 by the low income eligible pupil count.

2 (f) For any school district with a Low Income
3 Concentration Level of 60% or more, the grant for each
4 school year shall be \$2,080 multiplied by the low income
5 eligible pupil count.

6 (2.10) Except as otherwise provided, supplemental
7 general State aid pursuant to this subsection (H) shall be
8 provided as follows for the 2003-2004 school year and each
9 school year thereafter:

10 (a) For any school district with a Low Income
11 Concentration Level of 15% or less, the grant for each
12 school year shall be \$355 multiplied by the low income
13 eligible pupil count.

14 (b) For any school district with a Low Income
15 Concentration Level greater than 15%, the grant for each
16 school year shall be \$294.25 added to the product of
17 \$2,700 and the square of the Low Income Concentration
18 Level, all multiplied by the low income eligible pupil
19 count.

20 For the 2003-2004 school year only, the grant shall be no
21 less than the grant for the 2002-2003 school year. For the
22 2004-2005 school year only, the grant shall be no less than
23 the grant for the 2002-2003 school year multiplied by 0.66.
24 For the 2005-2006 school year only, the grant shall be no
25 less than the grant for the 2002-2003 school year multiplied
26 by 0.33.

27 For the 2003-2004 school year only, the grant shall be no
28 greater than the grant received during the 2002-2003 school
29 year added to the product of 0.25 multiplied by the
30 difference between the grant amount calculated under
31 subsection (a) or (b) of this paragraph (2.10), whichever is
32 applicable, and the grant received during the 2002-2003
33 school year. For the 2004-2005 school year only, the grant
34 shall be no greater than the grant received during the

1 2002-2003 school year added to the product of 0.50 multiplied
2 by the difference between the grant amount calculated under
3 subsection (a) or (b) of this paragraph (2.10), whichever is
4 applicable, and the grant received during the 2002-2003
5 school year. For the 2005-2006 school year only, the grant
6 shall be no greater than the grant received during the
7 2002-2003 school year added to the product of 0.75 multiplied
8 by the difference between the grant amount calculated under
9 subsection (a) or (b) of this paragraph (2.10), whichever is
10 applicable, and the grant received during the 2002-2003
11 school year.

12 (3) School districts with an Average Daily Attendance of
13 more than 1,000 and less than 50,000 that qualify for
14 supplemental general State aid pursuant to this subsection
15 shall submit a plan to the State Board of Education prior to
16 October 30 of each year for the use of the funds resulting
17 from this grant of supplemental general State aid for the
18 improvement of instruction in which priority is given to
19 meeting the education needs of disadvantaged children. Such
20 plan shall be submitted in accordance with rules and
21 regulations promulgated by the State Board of Education.

22 (4) School districts with an Average Daily Attendance of
23 50,000 or more that qualify for supplemental general State
24 aid pursuant to this subsection shall be required to
25 distribute from funds available pursuant to this Section, no
26 less than \$261,000,000 in accordance with the following
27 requirements:

28 (a) The required amounts shall be distributed to
29 the attendance centers within the district in proportion
30 to the number of pupils enrolled at each attendance
31 center who are eligible to receive free or reduced-price
32 lunches or breakfasts under the federal Child Nutrition
33 Act of 1966 and under the National School Lunch Act
34 during the immediately preceding school year.

1 (b) The distribution of these portions of
2 supplemental and general State aid among attendance
3 centers according to these requirements shall not be
4 compensated for or contravened by adjustments of the
5 total of other funds appropriated to any attendance
6 centers, and the Board of Education shall utilize funding
7 from one or several sources in order to fully implement
8 this provision annually prior to the opening of school.

9 (c) Each attendance center shall be provided by the
10 school district a distribution of noncategorical funds
11 and other categorical funds to which an attendance center
12 is entitled under law in order that the general State aid
13 and supplemental general State aid provided by
14 application of this subsection supplements rather than
15 supplants the noncategorical funds and other categorical
16 funds provided by the school district to the attendance
17 centers.

18 (d) Any funds made available under this subsection
19 that by reason of the provisions of this subsection are
20 not required to be allocated and provided to attendance
21 centers may be used and appropriated by the board of the
22 district for any lawful school purpose.

23 (e) Funds received by an attendance center pursuant
24 to this subsection shall be used by the attendance center
25 at the discretion of the principal and local school
26 council for programs to improve educational opportunities
27 at qualifying schools through the following programs and
28 services: early childhood education, reduced class size
29 or improved adult to student classroom ratio, enrichment
30 programs, remedial assistance, attendance improvement,
31 and other educationally beneficial expenditures which
32 supplement the regular and basic programs as determined
33 by the State Board of Education. Funds provided shall not
34 be expended for any political or lobbying purposes as

1 defined by board rule.

2 (f) Each district subject to the provisions of this
3 subdivision (H)(4) shall submit an acceptable plan to
4 meet the educational needs of disadvantaged children, in
5 compliance with the requirements of this paragraph, to
6 the State Board of Education prior to July 15 of each
7 year. This plan shall be consistent with the decisions of
8 local school councils concerning the school expenditure
9 plans developed in accordance with part 4 of Section
10 34-2.3. The State Board shall approve or reject the plan
11 within 60 days after its submission. If the plan is
12 rejected, the district shall give written notice of
13 intent to modify the plan within 15 days of the
14 notification of rejection and then submit a modified plan
15 within 30 days after the date of the written notice of
16 intent to modify. Districts may amend approved plans
17 pursuant to rules promulgated by the State Board of
18 Education.

19 Upon notification by the State Board of Education
20 that the district has not submitted a plan prior to July
21 15 or a modified plan within the time period specified
22 herein, the State aid funds affected by that plan or
23 modified plan shall be withheld by the State Board of
24 Education until a plan or modified plan is submitted.

25 If the district fails to distribute State aid to
26 attendance centers in accordance with an approved plan,
27 the plan for the following year shall allocate funds, in
28 addition to the funds otherwise required by this
29 subsection, to those attendance centers which were
30 underfunded during the previous year in amounts equal to
31 such underfunding.

32 For purposes of determining compliance with this
33 subsection in relation to the requirements of attendance
34 center funding, each district subject to the provisions

1 of this subsection shall submit as a separate document by
2 December 1 of each year a report of expenditure data for
3 the prior year in addition to any modification of its
4 current plan. If it is determined that there has been a
5 failure to comply with the expenditure provisions of this
6 subsection regarding contravention or supplanting, the
7 State Superintendent of Education shall, within 60 days
8 of receipt of the report, notify the district and any
9 affected local school council. The district shall within
10 45 days of receipt of that notification inform the State
11 Superintendent of Education of the remedial or corrective
12 action to be taken, whether by amendment of the current
13 plan, if feasible, or by adjustment in the plan for the
14 following year. Failure to provide the expenditure
15 report or the notification of remedial or corrective
16 action in a timely manner shall result in a withholding
17 of the affected funds.

18 The State Board of Education shall promulgate rules
19 and regulations to implement the provisions of this
20 subsection. No funds shall be released under this
21 subdivision (H)(4) to any district that has not submitted
22 a plan that has been approved by the State Board of
23 Education.

24 (I) General State Aid for Newly Configured School Districts.

25 (1) For a new school district formed by combining
26 property included totally within 2 or more previously
27 existing school districts, for its first year of existence
28 the general State aid and supplemental general State aid
29 calculated under this Section shall be computed for the new
30 district and for the previously existing districts for which
31 property is totally included within the new district. If the
32 computation on the basis of the previously existing districts
33 is greater, a supplementary payment equal to the difference
34 shall be made for the first 4 years of existence of the new

1 district.

2 (2) For a school district which annexes all of the
3 territory of one or more entire other school districts, for
4 the first year during which the change of boundaries
5 attributable to such annexation becomes effective for all
6 purposes as determined under Section 7-9 or 7A-8, the general
7 State aid and supplemental general State aid calculated under
8 this Section shall be computed for the annexing district as
9 constituted after the annexation and for the annexing and
10 each annexed district as constituted prior to the annexation;
11 and if the computation on the basis of the annexing and
12 annexed districts as constituted prior to the annexation is
13 greater, a supplementary payment equal to the difference
14 shall be made for the first 4 years of existence of the
15 annexing school district as constituted upon such annexation.

16 (3) For 2 or more school districts which annex all of
17 the territory of one or more entire other school districts,
18 and for 2 or more community unit districts which result upon
19 the division (pursuant to petition under Section 11A-2) of
20 one or more other unit school districts into 2 or more parts
21 and which together include all of the parts into which such
22 other unit school district or districts are so divided, for
23 the first year during which the change of boundaries
24 attributable to such annexation or division becomes effective
25 for all purposes as determined under Section 7-9 or 11A-10,
26 as the case may be, the general State aid and supplemental
27 general State aid calculated under this Section shall be
28 computed for each annexing or resulting district as
29 constituted after the annexation or division and for each
30 annexing and annexed district, or for each resulting and
31 divided district, as constituted prior to the annexation or
32 division; and if the aggregate of the general State aid and
33 supplemental general State aid as so computed for the
34 annexing or resulting districts as constituted after the

1 annexation or division is less than the aggregate of the
2 general State aid and supplemental general State aid as so
3 computed for the annexing and annexed districts, or for the
4 resulting and divided districts, as constituted prior to the
5 annexation or division, then a supplementary payment equal to
6 the difference shall be made and allocated between or among
7 the annexing or resulting districts, as constituted upon such
8 annexation or division, for the first 4 years of their
9 existence. The total difference payment shall be allocated
10 between or among the annexing or resulting districts in the
11 same ratio as the pupil enrollment from that portion of the
12 annexed or divided district or districts which is annexed to
13 or included in each such annexing or resulting district bears
14 to the total pupil enrollment from the entire annexed or
15 divided district or districts, as such pupil enrollment is
16 determined for the school year last ending prior to the date
17 when the change of boundaries attributable to the annexation
18 or division becomes effective for all purposes. The amount
19 of the total difference payment and the amount thereof to be
20 allocated to the annexing or resulting districts shall be
21 computed by the State Board of Education on the basis of
22 pupil enrollment and other data which shall be certified to
23 the State Board of Education, on forms which it shall provide
24 for that purpose, by the regional superintendent of schools
25 for each educational service region in which the annexing and
26 annexed districts, or resulting and divided districts are
27 located.

28 (3.5) Claims for financial assistance under this
29 subsection (I) shall not be recomputed except as expressly
30 provided under this Section.

31 (4) Any supplementary payment made under this subsection
32 (I) shall be treated as separate from all other payments made
33 pursuant to this Section.

34 (J) Supplementary Grants in Aid.

1 (1) Notwithstanding any other provisions of this
2 Section, the amount of the aggregate general State aid in
3 combination with supplemental general State aid under this
4 Section for which each school district is eligible shall be
5 no less than the amount of the aggregate general State aid
6 entitlement that was received by the district under Section
7 18-8 (exclusive of amounts received under subsections 5(p)
8 and 5(p-5) of that Section) for the 1997-98 school year,
9 pursuant to the provisions of that Section as it was then in
10 effect. If a school district qualifies to receive a
11 supplementary payment made under this subsection (J), the
12 amount of the aggregate general State aid in combination with
13 supplemental general State aid under this Section which that
14 district is eligible to receive for each school year shall be
15 no less than the amount of the aggregate general State aid
16 entitlement that was received by the district under Section
17 18-8 (exclusive of amounts received under subsections 5(p)
18 and 5(p-5) of that Section) for the 1997-1998 school year,
19 pursuant to the provisions of that Section as it was then in
20 effect.

21 (2) If, as provided in paragraph (1) of this subsection
22 (J), a school district is to receive aggregate general State
23 aid in combination with supplemental general State aid under
24 this Section for the 1998-99 school year and any subsequent
25 school year that in any such school year is less than the
26 amount of the aggregate general State aid entitlement that
27 the district received for the 1997-98 school year, the school
28 district shall also receive, from a separate appropriation
29 made for purposes of this subsection (J), a supplementary
30 payment that is equal to the amount of the difference in the
31 aggregate State aid figures as described in paragraph (1).

32 (3) (Blank).

33 (K) Grants to Laboratory and Alternative Schools.

34 In calculating the amount to be paid to the governing

1 board of a public university that operates a laboratory
2 school under this Section or to any alternative school that
3 is operated by a regional superintendent of schools, the
4 State Board of Education shall require by rule such reporting
5 requirements as it deems necessary.

6 As used in this Section, "laboratory school" means a
7 public school which is created and operated by a public
8 university and approved by the State Board of Education. The
9 governing board of a public university which receives funds
10 from the State Board under this subsection (K) may not
11 increase the number of students enrolled in its laboratory
12 school from a single district, if that district is already
13 sending 50 or more students, except under a mutual agreement
14 between the school board of a student's district of residence
15 and the university which operates the laboratory school. A
16 laboratory school may not have more than 1,000 students,
17 excluding students with disabilities in a special education
18 program.

19 As used in this Section, "alternative school" means a
20 public school which is created and operated by a Regional
21 Superintendent of Schools and approved by the State Board of
22 Education. Such alternative schools may offer courses of
23 instruction for which credit is given in regular school
24 programs, courses to prepare students for the high school
25 equivalency testing program or vocational and occupational
26 training. A regional superintendent of schools may contract
27 with a school district or a public community college district
28 to operate an alternative school. An alternative school
29 serving more than one educational service region may be
30 established by the regional superintendents of schools of the
31 affected educational service regions. An alternative school
32 serving more than one educational service region may be
33 operated under such terms as the regional superintendents of
34 schools of those educational service regions may agree.

1 Each laboratory and alternative school shall file, on
2 forms provided by the State Superintendent of Education, an
3 annual State aid claim which states the Average Daily
4 Attendance of the school's students by month. The best 3
5 months' Average Daily Attendance shall be computed for each
6 school. The general State aid entitlement shall be computed
7 by multiplying the applicable Average Daily Attendance by the
8 Foundation Level as determined under this Section.

9 (L) Payments, Additional Grants in Aid and Other
10 Requirements.

11 (1) For a school district operating under the financial
12 supervision of an Authority created under Article 34A, the
13 general State aid otherwise payable to that district under
14 this Section, but not the supplemental general State aid,
15 shall be reduced by an amount equal to the budget for the
16 operations of the Authority as certified by the Authority to
17 the State Board of Education, and an amount equal to such
18 reduction shall be paid to the Authority created for such
19 district for its operating expenses in the manner provided in
20 Section 18-11. The remainder of general State school aid for
21 any such district shall be paid in accordance with Article
22 34A when that Article provides for a disposition other than
23 that provided by this Article.

24 (2) (Blank).

25 (3) Summer school. Summer school payments shall be made
26 as provided in Section 18-4.3.

27 (M) Education Funding Advisory Board.

28 The Education Funding Advisory Board, hereinafter in this
29 subsection (M) referred to as the "Board", is hereby created.
30 The Board shall consist of 5 members who are appointed by the
31 Governor, by and with the advice and consent of the Senate.
32 The members appointed shall include representatives of
33 education, business, and the general public. One of the

1 members so appointed shall be designated by the Governor at
2 the time the appointment is made as the chairperson of the
3 Board. The initial members of the Board may be appointed any
4 time after the effective date of this amendatory Act of 1997.
5 The regular term of each member of the Board shall be for 4
6 years from the third Monday of January of the year in which
7 the term of the member's appointment is to commence, except
8 that of the 5 initial members appointed to serve on the
9 Board, the member who is appointed as the chairperson shall
10 serve for a term that commences on the date of his or her
11 appointment and expires on the third Monday of January, 2002,
12 and the remaining 4 members, by lots drawn at the first
13 meeting of the Board that is held after all 5 members are
14 appointed, shall determine 2 of their number to serve for
15 terms that commence on the date of their respective
16 appointments and expire on the third Monday of January, 2001,
17 and 2 of their number to serve for terms that commence on the
18 date of their respective appointments and expire on the third
19 Monday of January, 2000. All members appointed to serve on
20 the Board shall serve until their respective successors are
21 appointed and confirmed. Vacancies shall be filled in the
22 same manner as original appointments. If a vacancy in
23 membership occurs at a time when the Senate is not in
24 session, the Governor shall make a temporary appointment
25 until the next meeting of the Senate, when he or she shall
26 appoint, by and with the advice and consent of the Senate, a
27 person to fill that membership for the unexpired term. If
28 the Senate is not in session when the initial appointments
29 are made, those appointments shall be made as in the case of
30 vacancies.

31 The Education Funding Advisory Board shall be deemed
32 established, and the initial members appointed by the
33 Governor to serve as members of the Board shall take office,
34 on the date that the Governor makes his or her appointment of

1 the fifth initial member of the Board, whether those initial
2 members are then serving pursuant to appointment and
3 confirmation or pursuant to temporary appointments that are
4 made by the Governor as in the case of vacancies.

5 The State Board of Education shall provide such staff
6 assistance to the Education Funding Advisory Board as is
7 reasonably required for the proper performance by the Board
8 of its responsibilities.

9 For school years after the 2000-2001 school year, the
10 Education Funding Advisory Board, in consultation with the
11 State Board of Education, shall make recommendations as
12 provided in this subsection (M) to the General Assembly for
13 the foundation level under subdivision (B)(3) of this Section
14 and for the supplemental general State aid grant level under
15 subsection (H) of this Section for districts with high
16 concentrations of children from poverty. The recommended
17 foundation level shall be determined based on a methodology
18 which incorporates the basic education expenditures of
19 low-spending schools exhibiting high academic performance.
20 The Education Funding Advisory Board shall make such
21 recommendations to the General Assembly on January 1 of odd
22 numbered years, beginning January 1, 2001.

23 (N) (Blank).

24 (O) References.

25 (1) References in other laws to the various subdivisions
26 of Section 18-8 as that Section existed before its repeal and
27 replacement by this Section 18-8.05 shall be deemed to refer
28 to the corresponding provisions of this Section 18-8.05, to
29 the extent that those references remain applicable.

30 (2) References in other laws to State Chapter 1 funds
31 shall be deemed to refer to the supplemental general State
32 aid provided under subsection (H) of this Section.

33 (Source: P.A. 92-16, eff. 6-28-01; 92-28, eff. 7-1-01; 92-29,

1 eff. 7-1-01; 92-269, eff. 8-7-01; 92-604, eff. 7-1-02;
2 92-636, eff. 7-11-02; 92-651, eff. 7-11-02; 93-21, eff.
3 7-1-03.)

4 Section 40. The Criminal Code of 1961 is amended by
5 changing Section 17A-1 as follows:

6 (720 ILCS 5/17A-1) (from Ch. 38, par. 17A-1)

7 Sec. 17A-1. Persons under deportation order; ineligible
8 for benefits. An individual against whom a United States
9 Immigration Judge has issued an order of deportation which
10 has been affirmed by the Board of Immigration Review, as well
11 as an individual who appeals such an order pending appeal,
12 under paragraph 19 of Section 241(a) of the Immigration and
13 Nationality Act relating to persecution of others on account
14 of race, religion, national origin or political opinion under
15 the direction of or in association with the Nazi government
16 of Germany or its allies, shall be ineligible for the
17 following benefits authorized by State law:

18 (a) The homestead exemptions ~~exemption~~ and homestead
19 improvement exemption under Sections 15-170, 15-175, 15-176,
20 and 15-180 of the Property Tax Code.

21 (b) Grants under the Senior Citizens and Disabled
22 Persons Property Tax Relief and Pharmaceutical Assistance
23 Act.

24 (c) The double income tax exemption conferred upon
25 persons 65 years of age or older by Section 204 of the
26 Illinois Income Tax Act.

27 (d) Grants provided by the Department on Aging.

28 (e) Reductions in vehicle registration fees under
29 Section 3-806.3 of the Illinois Vehicle Code.

30 (f) Free fishing and reduced fishing license fees under
31 Sections 20-5 and 20-40 of the Fish and Aquatic Life Code.

32 (g) Tuition free courses for senior citizens under the

1 Senior Citizen Courses Act.

2 (h) Any benefits under the Illinois Public Aid Code.

3 (Source: P.A. 87-895; 88-670, eff. 12-2-94.)

4 Section 90. The State Mandates Act is amended by adding
5 Section 8.28 as follows:

6 (30 ILCS 805/8.28 new)

7 Sec. 8.28. Exempt mandate. Notwithstanding Sections 6
8 and 8 of this Act, no reimbursement by the State is required
9 for the implementation of any mandate created by (i) the
10 General Homestead Exemption under Section 15-176 of the
11 Property Tax Code or (ii) the Senior Citizens Assessment
12 Freeze Homestead Exemption under Section 15-172 of the
13 Property Tax Code."