



02/04/04

09300SB1498ham005

LRB093 06568 SJM 46862 a

1 AMENDMENT TO SENATE BILL 1498

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1498, AS AMENDED, by  
3 replacing everything after the enacting clause with the  
4 following:

5 "Section 5. The Economic Development Area Tax Increment  
6 Allocation Act is amended by changing Section 6 as follows:

7 (20 ILCS 620/6) (from Ch. 67 1/2, par. 1006)

8 Sec. 6. Filing with county clerk; certification of initial  
9 equalized assessed value.

10 (a) The municipality shall file a certified copy of any  
11 ordinance authorizing tax increment allocation financing for  
12 an economic development project area with the county clerk, and  
13 the county clerk shall immediately thereafter determine (1) the  
14 most recently ascertained equalized assessed value of each lot,  
15 block, tract or parcel of real property within the economic  
16 development project area from which shall be deducted the  
17 homestead exemptions provided by Sections 15-170, ~~and~~ 15-175,  
18 and 15-176 of the Property Tax Code, which value shall be the  
19 "initial equalized assessed value" of each such piece of  
20 property, and (2) the total equalized assessed value of all  
21 taxable real property within the economic development project  
22 area by adding together the most recently ascertained equalized  
23 assessed value of each taxable lot, block, tract, or parcel of  
24 real property within such economic development project area,

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

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

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

2 Section 10. The Property Tax Code is amended by changing  
3 Sections 14-15, 15-10, 15-170, 15-175, and 20-178 and by adding  
4 Section 15-176 as follows:

5 (35 ILCS 200/14-15)

6 Sec. 14-15. Certificate of error; counties of 3,000,000 or  
7 more.

8 (a) In counties with 3,000,000 or more inhabitants, if,  
9 after the assessment is certified pursuant to Section 16-150,  
10 but subject to the limitations of subsection (c) of this  
11 Section, the county assessor discovers an error or mistake in  
12 the assessment, the assessor shall execute a certificate  
13 setting forth the nature and cause of the error. The  
14 certificate when endorsed by the county assessor, or when  
15 endorsed by the county assessor and board of appeals (until the  
16 first Monday in December 1998 and the board of review beginning  
17 the first Monday in December 1998 and thereafter) where the  
18 certificate is executed for any assessment which was the  
19 subject of a complaint filed in the board of appeals (until the  
20 first Monday in December 1998 and the board of review beginning  
21 the first Monday in December 1998 and thereafter) for the tax  
22 year for which the certificate is issued, may, either be  
23 certified according to the procedure authorized by this Section  
24 or be presented and received in evidence in any court of  
25 competent jurisdiction. Certification is authorized, at the  
26 discretion of the county assessor, for: (1) certificates of  
27 error allowing homestead exemptions pursuant to Sections  
28 15-170, 15-172, ~~and~~ 15-175, and 15-176; (2) certificates of  
29 error on residential property of 6 units or less; (3)  
30 certificates of error allowing exemption of the property  
31 pursuant to Section 14-25; and (4) other certificates of error  
32 reducing assessed value by less than \$100,000. Any certificate

1 of error not certified shall be presented to the court. The  
2 county assessor shall develop reasonable procedures for the  
3 filing and processing of certificates of error. Prior to the  
4 certification or presentation to the court, the county assessor  
5 or his or her designee shall execute and include in the  
6 certificate of error a statement attesting that all procedural  
7 requirements pertaining to the issuance of the certificate of  
8 error have been met and that in fact an error exists. When so  
9 introduced in evidence such certificate shall become a part of  
10 the court records, and shall not be removed from the files  
11 except upon the order of the court.

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

23 Any unpaid taxes after the entry of the final judgment by  
24 the court or certification on certificates issued under this  
25 Section may be included in a special tax sale, provided that an  
26 advertisement is published and a notice is mailed to the person  
27 in whose name the taxes were last assessed, in a form and  
28 manner substantially similar to the advertisement and notice  
29 required under Sections 21-110 and 21-135. The advertisement  
30 and sale shall be subject to all provisions of law regulating  
31 the annual advertisement and sale of delinquent property, to  
32 the extent that those provisions may be made applicable.

33 A certificate of error certified under this Section shall  
34 be given effect by the county treasurer, who shall mark the tax

1 books and, upon receipt of one of the following certificates  
 2 from the county assessor or the county assessor and the board  
 3 of review where the board of review is required to endorse the  
 4 certificate of error, shall issue refunds to the taxpayer  
 5 accordingly:

6 "CERTIFICATION

7 I, ....., county assessor, hereby certify  
 8 that the Certificates of Error set out on the attached list  
 9 have been duly issued to correct an error or mistake in the  
 10 assessment."

11 "CERTIFICATION

12 I, ....., county assessor, and we,  
 13 .....,  
 14 members of the board of review, hereby certify that the  
 15 Certificates of Error set out on the attached list have  
 16 been duly issued to correct an error or mistake in the  
 17 assessment and that any certificates of error required to  
 18 be endorsed by the board of review have been so endorsed."

19 The county treasurer has the power to mark the tax books to  
 20 reflect the issuance of certificates of error certified  
 21 according to the procedure authorized in this Section for  
 22 certificates of error issued under Section 14-25 or  
 23 certificates of error issued to and including 3 years after the  
 24 date on which the annual judgment and order of sale for that  
 25 tax year was first entered. The county treasurer has the power  
 26 to issue refunds to the taxpayer as set forth above until all  
 27 refunds authorized by this Section have been completed.

28 To the extent that the certificate of error obviates the  
 29 liability for nonpayment of taxes, certification of a  
 30 certificate of error according to the procedure authorized in  
 31 this Section shall operate to vacate any judgment or forfeiture

1 as to that year's taxes, and the warrant books and judgment  
2 books shall be marked to reflect that the judgment or  
3 forfeiture has been vacated.

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

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

23 (d) The time limitation of subsection (c) shall not apply  
24 to a certificate of error correcting an assessment to \$1, under  
25 Section 10-35, on a parcel that a subdivision or planned  
26 development has acquired by adverse possession, if during the  
27 tax year for which the certificate is executed the subdivision  
28 or planned development used the parcel as common area, as  
29 defined in Section 10-35, and if application for the  
30 certificate of error is made prior to December 1, 1997.

31 (e) The changes made by this amendatory Act of the 91st  
32 General Assembly apply to certificates of error issued before,  
33 on, and after the effective date of this amendatory Act of the  
34 91st General Assembly.

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

3 (35 ILCS 200/15-10)

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

31 However, titleholders or owners of the beneficial interest  
32 in any property exempted under any of the following provisions  
33 are not required to submit an annual filing under this Section:

1           (1) Section 15-45 (burial grounds) in counties of less  
2           than 3,000,000 inhabitants and owned by a not-for-profit  
3           organization.

4           (2) Section 15-40.

5           (3) Section 15-50 (United States property).

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

8           An application for homestead exemptions shall be filed as  
9           provided in Section 15-170 (senior citizens homestead  
10          exemption), Section 15-172 (senior citizens assessment freeze  
11          homestead exemption), and Sections ~~Section~~ 15-175 and 15-176  
12          (general homestead exemption), respectively.

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

14          (35 ILCS 200/15-170)

15          Sec. 15-170. Senior Citizens Homestead Exemption. An  
16          annual homestead exemption limited, except as described here  
17          with relation to cooperatives or life care facilities, to a  
18          maximum reduction set forth below from the property's value, as  
19          equalized or assessed by the Department, is granted for  
20          property that is occupied as a residence by a person 65 years  
21          of age or older who is liable for paying real estate taxes on  
22          the property and is an owner of record of the property or has a  
23          legal or equitable interest therein as evidenced by a written  
24          instrument, except for a leasehold interest, other than a  
25          leasehold interest of land on which a single family residence  
26          is located, which is occupied as a residence by a person 65  
27          years or older who has an ownership interest therein, legal,  
28          equitable or as a lessee, and on which he or she is liable for  
29          the payment of property taxes. The maximum reduction shall be  
30          \$2,500 in counties with 3,000,000 or more inhabitants and  
31          \$2,000 in all other counties. For land improved with an  
32          apartment building owned and operated as a cooperative, the  
33          maximum reduction from the value of the property, as equalized



1 by the Department, shall be multiplied by the number of  
2 apartments or units occupied by a person 65 years of age or  
3 older who is liable, by contract with the owner or owners of  
4 record, for paying property taxes on the property and is an  
5 owner of record of a legal or equitable interest in the  
6 cooperative apartment building, other than a leasehold  
7 interest. For land improved with a life care facility, the  
8 maximum reduction from the value of the property, as equalized  
9 by the Department, shall be multiplied by the number of  
10 apartments or units occupied by persons 65 years of age or  
11 older, irrespective of any legal, equitable, or leasehold  
12 interest in the facility, who are liable, under a contract with  
13 the owner or owners of record of the facility, for paying  
14 property taxes on the property. In a cooperative or a life care  
15 facility where a homestead exemption has been granted, the  
16 cooperative association or the management firm of the  
17 cooperative or facility shall credit the savings resulting from  
18 that exemption only to the apportioned tax liability of the  
19 owner or resident who qualified for the exemption. Any person  
20 who willfully refuses to so credit the savings shall be guilty  
21 of a Class B misdemeanor. Under this Section and Sections  
22 ~~Section~~ 15-175 and 15-176, "life care facility" means a  
23 facility as defined in Section 2 of the Life Care Facilities  
24 Act, with which the applicant for the homestead exemption has a  
25 life care contract as defined in that Act.

26 When a homestead exemption has been granted under this  
27 Section and the person qualifying subsequently becomes a  
28 resident of a facility licensed under the Nursing Home Care  
29 Act, the exemption shall continue so long as the residence  
30 continues to be occupied by the qualifying person's spouse if  
31 the spouse is 65 years of age or older, or if the residence  
32 remains unoccupied but is still owned by the person qualified  
33 for the homestead exemption.

34 A person who will be 65 years of age during the current

1 assessment year shall be eligible to apply for the homestead  
2 exemption during that assessment year. Application shall be  
3 made during the application period in effect for the county of  
4 his residence.

5 Beginning with assessment year 2003, for taxes payable in  
6 2004, property that is first occupied as a residence after  
7 January 1 of any assessment year by a person who is eligible  
8 for the senior citizens homestead exemption under this Section  
9 must be granted a pro-rata exemption for the assessment year.  
10 The amount of the pro-rata exemption is the exemption allowed  
11 in the county under this Section divided by 365 and multiplied  
12 by the number of days during the assessment year the property  
13 is occupied as a residence by a person eligible for the  
14 exemption under this Section. The chief county assessment  
15 officer must adopt reasonable procedures to establish  
16 eligibility for this pro-rata exemption.

17 The assessor or chief county assessment officer may  
18 determine the eligibility of a life care facility to receive  
19 the benefits provided by this Section, by affidavit,  
20 application, visual inspection, questionnaire or other  
21 reasonable methods in order to insure that the tax savings  
22 resulting from the exemption are credited by the management  
23 firm to the apportioned tax liability of each qualifying  
24 resident. The assessor may request reasonable proof that the  
25 management firm has so credited the exemption.

26 The chief county assessment officer of each county with  
27 less than 3,000,000 inhabitants shall provide to each person  
28 allowed a homestead exemption under this Section a form to  
29 designate any other person to receive a duplicate of any notice  
30 of delinquency in the payment of taxes assessed and levied  
31 under this Code on the property of the person receiving the  
32 exemption. The duplicate notice shall be in addition to the  
33 notice required to be provided to the person receiving the  
34 exemption, and shall be given in the manner required by this

1 Code. The person filing the request for the duplicate notice  
2 shall pay a fee of \$5 to cover administrative costs to the  
3 supervisor of assessments, who shall then file the executed  
4 designation with the county collector. Notwithstanding any  
5 other provision of this Code to the contrary, the filing of  
6 such an executed designation requires the county collector to  
7 provide duplicate notices as indicated by the designation. A  
8 designation may be rescinded by the person who executed such  
9 designation at any time, in the manner and form required by the  
10 chief county assessment officer.

11 The assessor or chief county assessment officer may  
12 determine the eligibility of residential property to receive  
13 the homestead exemption provided by this Section by  
14 application, visual inspection, questionnaire or other  
15 reasonable methods. The determination shall be made in  
16 accordance with guidelines established by the Department.

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

21 In counties with less than 3,000,000 inhabitants, if the  
22 assessor or chief county assessment officer requires annual  
23 application for verification of eligibility for an exemption  
24 once granted under this Section, the application shall be  
25 mailed to the taxpayer.

26 The assessor or chief county assessment officer shall  
27 notify each person who qualifies for an exemption under this  
28 Section that the person may also qualify for deferral of real  
29 estate taxes under the Senior Citizens Real Estate Tax Deferral  
30 Act. The notice shall set forth the qualifications needed for  
31 deferral of real estate taxes, the address and telephone number  
32 of county collector, and a statement that applications for  
33 deferral of real estate taxes may be obtained from the county  
34 collector.

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

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

5           (35 ILCS 200/15-175)

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

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

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

31           If in any assessment year beginning with the 2000  
32 assessment year, homestead property has a pro-rata valuation  
33 under Section 9-180 resulting in an increase in the assessed

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

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

1 the apportioned tax liability of the owner who qualified for  
2 the exemption. Any person who willfully refuses to so credit  
3 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 assessed  
7 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 year  
17 of the sale. The assessor or chief county assessment officer  
18 may require the new owner of the property to apply for the  
19 homestead exemption for the following assessment year.

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

22 (35 ILCS 200/15-176 new)

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

25 (a) In counties with 3,000,000 or more inhabitants, for the  
26 assessment years as determined under subsection (j), homestead  
27 property is entitled to an annual homestead exemption equal to  
28 a reduction in the property's equalized assessed value  
29 calculated as provided in this Section.

30 (b) As used in this Section:

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

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

1           (A) The property's base homestead value increased  
2 by 7% for each tax year after 2002 through and  
3 including the current tax year, or, if the property is  
4 sold or ownership is otherwise transferred, the  
5 property's base homestead value increased by 7% for  
6 each tax year after the year of the sale or transfer  
7 through and including the current tax year. The  
8 increase by 7% each year is an increase by 7% over the  
9 prior year.

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

12           (3) "Base homestead value".

13           (A) Except as provided in subdivision ((b)(3)(B),  
14 "base homestead value" means the equalized assessed  
15 value of the property for tax year 2002 prior to  
16 exemptions, minus \$4,500, provided that it was  
17 assessed for that year as residential property  
18 qualified for any of the homestead exemptions under  
19 Sections 15-170 through 15-175 of this Code, then in  
20 force, and further provided that the property's  
21 assessment was not based on a reduced assessed value  
22 resulting from a temporary irregularity in the  
23 property for that year. Except as provided in  
24 subdivision (b)(3)(B), if the property did not have a  
25 residential equalized assessed value for tax year  
26 2002, then "base homestead value" means the base  
27 homestead value established by the assessor under  
28 subsection (c).

29           (B) If the property is sold or ownership is  
30 otherwise transferred, "base homestead value" means  
31 the equalized assessed value of the property at the  
32 time of the sale or transfer prior to exemptions, minus  
33 \$4,500, provided that it was assessed as residential  
34 property qualified for any of the homestead exemptions

1           under Sections 15-170 through 15-175 of this Code, then  
2           in force, and further provided that the property's  
3           assessment was not based on a reduced assessed value  
4           resulting from a temporary irregularity in the  
5           property.

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

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

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

11           (A) Residential property that as of January 1 of  
12           the tax year is occupied by its owner or owners as his,  
13           her, or their principal dwelling place, or that is a  
14           leasehold interest on which a single family residence  
15           is situated, that is occupied as a residence by a  
16           person who has a legal or equitable interest therein  
17           evidenced by a written instrument, as an owner or as a  
18           lessee, and on which the person is liable for the  
19           payment of property taxes. Residential units in an  
20           apartment building owned and operated as a  
21           cooperative, or as a life care facility, which are  
22           occupied by persons who hold a legal or equitable  
23           interest in the cooperative apartment building or life  
24           care facility as owners or lessees, and who are liable  
25           by contract for the payment of property taxes, shall be  
26           included within this definition of homestead property.  
27           Residential property containing 6 or fewer dwelling  
28           units shall also be included in this definition of  
29           homestead property provided that at least one such unit  
30           is occupied by the property's owner or owners as his,  
31           her, or their principal dwelling place.

32           (B) A homestead includes the dwelling place,  
33           appurtenant structures, and so much of the surrounding  
34           land constituting the parcel on which the dwelling



1 place is situated as is used for residential purposes.  
2 If the assessor has established a specific legal  
3 description for a portion of property constituting the  
4 homestead, then the homestead shall be limited to the  
5 property within that description.

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

8 (c) If the property did not have a residential equalized  
9 assessed value for tax year 2002 as provided in subdivision  
10 (b) (3) (A) of this Section, then the assessor shall first  
11 determine an initial value for the property by comparison with  
12 assessed values for tax year 2002 of other properties having  
13 physical and economic characteristics similar to those of the  
14 subject property, so that the initial value is uniform in  
15 relation to assessed values of those other properties for tax  
16 year 2002. The product of the initial value multiplied by  
17 2.4689, less \$4,500, is the base homestead value.

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

23 (d) The base homestead value shall remain constant, except  
24 that the assessor may revise it under the following  
25 circumstances:

26 (1) If the equalized assessed value of a homestead  
27 property for the current tax year is less than the previous  
28 base homestead value for that property, then the current  
29 equalized assessed value (provided it is not based on a  
30 reduced assessed value resulting from a temporary  
31 irregularity in the property) shall become the base  
32 homestead value in subsequent tax years.

33 (2) For any year in which new buildings, structures, or  
34 other improvements are constructed on the homestead

1 property that would increase its assessed value, the  
2 assessor shall adjust the base homestead value as provided  
3 in subsection (c) of this Section with due regard to the  
4 value added by the new improvements.

5 (3) If the property is sold or ownership is otherwise  
6 transferred, the base homestead value of the property shall  
7 be adjusted as provided in subdivision (b) (3) (B).

8 (e) The amount of the exemption under this Section is the  
9 equalized assessed value of the homestead property for the  
10 current tax year, minus the adjusted homestead value, with the  
11 following exceptions:

12 (1) The exemption under this Section shall not exceed  
13 \$25,000 for any taxable year.

14 (2) In the case of homestead property that also  
15 qualifies for the exemption under Section 15-172, the  
16 property is entitled to the exemption under this Section,  
17 limited to the amount of \$4,500.

18 (f) In the case of an apartment building owned and operated  
19 as a cooperative, or as a life care facility, that contains  
20 residential units that qualify as homestead property under this  
21 Section, the maximum cumulative exemption amount attributed to  
22 the entire building or facility shall not exceed the sum of the  
23 exemptions calculated for each qualified residential unit. The  
24 cooperative association, management firm, or other person or  
25 entity that manages or controls the cooperative apartment  
26 building or life care facility shall credit the exemption  
27 attributable to each residential unit only to the apportioned  
28 tax liability of the owner or other person responsible for  
29 payment of taxes as to that unit. Any person who willfully  
30 refuses to so credit the exemption is guilty of a Class B  
31 misdemeanor.

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

1       (h) In the event of a sale or other transfer in ownership  
2 of the homestead property, the exemption under this Section  
3 shall remain in effect for the remainder of the tax year in  
4 which the sale or transfer occurs, but shall be calculated  
5 using the new base homestead value as provided in subdivision  
6 (b)(3)(B). The assessor may require the new owner of the  
7 property to apply for the exemption in the following year.

8       (i) The assessor may determine whether property qualifies  
9 as a homestead under this Section by application, visual  
10 inspection, questionnaire, or other reasonable methods. Each  
11 year, at the time the assessment books are certified to the  
12 county clerk by the board of review, the assessor shall furnish  
13 to the county clerk a list of the properties qualified for the  
14 homestead exemption under this Section. The list shall note the  
15 base homestead value of each property to be used in the  
16 calculation of the exemption for the current tax year.

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

18           (1) If the general assessment year for the property is  
19 2003, this Section applies for assessment years 2003, 2004,  
20 and 2005. Thereafter, the provisions of Section 15-175  
21 apply.

22           (2) If the general assessment year for the property is  
23 2004, this Section applies for assessment years 2004, 2005,  
24 and 2006. Thereafter, the provisions of Section 15-175  
25 apply.

26           (3) If the general assessment year for the property is  
27 2005, this Section applies for assessment years 2005, 2006,  
28 and 2007. Thereafter, the provisions of Section 15-175  
29 apply.

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

1           Sec. 20-178. Certificate of error; refund; interest. When  
2 the county collector makes any refunds due on certificates of  
3 error issued under Sections 14-15 through 14-25 that have been  
4 either certified or adjudicated, the county collector shall pay  
5 the taxpayer interest on the amount of the refund at the rate  
6 of 0.5% per month.

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

22           This Section shall not apply to any certificate of error  
23 granting a homestead exemption under Section 15-170, 15-172, ~~or~~  
24 15-175, or 15-176.

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

26           Section 15. The County Economic Development Project Area  
27 Property Tax Allocation Act is amended by changing Section 6 as  
28 follows:

29           (55 ILCS 85/6) (from Ch. 34, par. 7006)

30           Sec. 6. Filing with county clerk; certification of initial  
31 equalized assessed value.

32           (a) The county shall file a certified copy of any ordinance

1 authorizing property tax allocation financing for an economic  
2 development project area with the county clerk, and the county  
3 clerk shall immediately thereafter determine (1) the most  
4 recently ascertained equalized assessed value of each lot,  
5 block, tract or parcel of real property within the economic  
6 development 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 the economic development project  
12 area by adding together the most recently ascertained equalized  
13 assessed value of each taxable lot, block, tract, or parcel of  
14 real property within such economic development project area,  
15 from which shall be deducted the homestead exemptions provided  
16 by Sections 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax  
17 Code. Upon receiving written notice from the Department of its  
18 approval and certification of such economic development  
19 project area, the county clerk shall immediately certify such  
20 amount as the "total initial equalized assessed value" of the  
21 taxable property within the economic development project area.

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

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

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

16 Section 20. The County Economic Development Project Area  
17 Tax Increment Allocation Act of 1991 is amended by changing  
18 Section 45 as follows:

19 (55 ILCS 90/45) (from Ch. 34, par. 8045)

20 Sec. 45. Filing with county clerk; certification of initial  
21 equalized assessed value.

22 (a) A county that has by ordinance approved an economic  
23 development plan, established an economic development project  
24 area, and adopted tax increment allocation financing for that  
25 area shall file certified copies of the ordinance or ordinances  
26 with the county clerk. Upon receiving the ordinance or  
27 ordinances, the county clerk shall immediately determine (i)  
28 the most recently ascertained equalized assessed value of each  
29 lot, block, tract, or parcel of real property within the  
30 economic development project area from which shall be deducted  
31 the homestead exemptions provided by Sections 15-170, ~~and~~  
32 15-175, and 15-176 of the Property Tax Code (that value being

1 the "initial equalized assessed value" of each such piece of  
2 property) and (ii) the total equalized assessed value of all  
3 taxable real property within the economic development project  
4 area by adding together the most recently ascertained equalized  
5 assessed value of each taxable lot, block, tract, or parcel of  
6 real property within the economic development project area,  
7 from which shall be deducted the homestead exemptions provided  
8 by Sections 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax  
9 Code, and shall certify that amount as the "total initial  
10 equalized assessed value" of the taxable real property within  
11 the economic development project area.

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

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

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

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

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

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

29 (a) That portion of taxes levied upon each taxable lot,  
30 block, tract or parcel of real property which is attributable  
31 to the lower of the current equalized assessed value or the  
32 initial equalized assessed value of each such taxable lot,



1 block, tract or parcel of real property in the redevelopment  
2 project area shall be allocated to and when collected shall be  
3 paid by the county collector to the respective affected taxing  
4 districts in the manner required by law in the absence of the  
5 adoption of tax increment allocation financing.

6 (b) Except from a tax levied by a township to retire bonds  
7 issued to satisfy court-ordered damages, that portion, if any,  
8 of such taxes which is attributable to the increase in the  
9 current equalized assessed valuation of each taxable lot,  
10 block, tract or parcel of real property in the redevelopment  
11 project area over and above the initial equalized assessed  
12 value of each property in the project area shall be allocated  
13 to and when collected shall be paid to the municipal treasurer  
14 who shall deposit said taxes into a special fund called the  
15 special tax allocation fund of the municipality for the purpose  
16 of paying redevelopment project costs and obligations incurred  
17 in the payment thereof. In any county with a population of  
18 3,000,000 or more that has adopted a procedure for collecting  
19 taxes that provides for one or more of the installments of the  
20 taxes to be billed and collected on an estimated basis, the  
21 municipal treasurer shall be paid for deposit in the special  
22 tax allocation fund of the municipality, from the taxes  
23 collected from estimated bills issued for property in the  
24 redevelopment project area, the difference between the amount  
25 actually collected from each taxable lot, block, tract, or  
26 parcel of real property within the redevelopment project area  
27 and an amount determined by multiplying the rate at which taxes  
28 were last extended against the taxable lot, block, track, or  
29 parcel of real property in the manner provided in subsection  
30 (c) of Section 11-74.4-9 by the initial equalized assessed  
31 value of the property divided by the number of installments in  
32 which real estate taxes are billed and collected within the  
33 county; provided that the payments on or before December 31,  
34 1999 to a municipal treasurer shall be made only if each of the

1 following conditions are met:

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

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

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

21 (4) The municipality has not requested that the total  
22 initial equalized assessed value of real property be  
23 adjusted as provided in subsection (b) of Section  
24 11-74.4-9.

25 The conditions of paragraphs (1) through (4) do not apply  
26 after December 31, 1999 to payments to a municipal treasurer  
27 made by a county with 3,000,000 or more inhabitants that has  
28 adopted an estimated billing procedure for collecting taxes. If  
29 a county that has adopted the estimated billing procedure makes  
30 an erroneous overpayment of tax revenue to the municipal  
31 treasurer, then the county may seek a refund of that  
32 overpayment. The county shall send the municipal treasurer a  
33 notice of liability for the overpayment on or before the  
34 mailing date of the next real estate tax bill within the

1 county. The refund shall be limited to the amount of the  
2 overpayment.

3 It is the intent of this Division that after the effective  
4 date of this amendatory Act of 1988 a municipality's own ad  
5 valorem tax arising from levies on taxable real property be  
6 included in the determination of incremental revenue in the  
7 manner provided in paragraph (c) of Section 11-74.4-9. If the  
8 municipality does not extend such a tax, it shall annually  
9 deposit in the municipality's Special Tax Increment Fund an  
10 amount equal to 10% of the total contributions to the fund from  
11 all other taxing districts in that year. The annual 10% deposit  
12 required by this paragraph shall be limited to the actual  
13 amount of municipally produced incremental tax revenues  
14 available to the municipality from taxpayers located in the  
15 redevelopment project area in that year if: (a) the plan for  
16 the area restricts the use of the property primarily to  
17 industrial purposes, (b) the municipality establishing the  
18 redevelopment project area is a home-rule community with a 1990  
19 population of between 25,000 and 50,000, (c) the municipality  
20 is wholly located within a county with a 1990 population of  
21 over 750,000 and (d) the redevelopment project area was  
22 established by the municipality prior to June 1, 1990. This  
23 payment shall be in lieu of a contribution of ad valorem taxes  
24 on real property. If no such payment is made, any redevelopment  
25 project area of the municipality shall be dissolved.

26 If a municipality has adopted tax increment allocation  
27 financing by ordinance and the County Clerk thereafter  
28 certifies the "total initial equalized assessed value as  
29 adjusted" of the taxable real property within such  
30 redevelopment project area in the manner provided in paragraph  
31 (b) of Section 11-74.4-9, each year after the date of the  
32 certification of the total initial equalized assessed value as  
33 adjusted until redevelopment project costs and all municipal  
34 obligations financing redevelopment project costs have been

1 paid the ad valorem taxes, if any, arising from the levies upon  
2 the taxable real property in such redevelopment project area by  
3 taxing districts and tax rates determined in the manner  
4 provided in paragraph (c) of Section 11-74.4-9 shall be divided  
5 as follows:

6 (1) That portion of the taxes levied upon each taxable  
7 lot, block, tract or parcel of real property which is  
8 attributable to the lower of the current equalized assessed  
9 value or "current equalized assessed value as adjusted" or  
10 the initial equalized assessed value of each such taxable  
11 lot, block, tract, or parcel of real property existing at  
12 the time tax increment financing was adopted, minus the  
13 total current homestead exemptions provided by Sections  
14 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax Code in  
15 the redevelopment project area shall be allocated to and  
16 when collected shall be paid by the county collector to the  
17 respective affected taxing districts in the manner  
18 required by law in the absence of the adoption of tax  
19 increment allocation financing.

20 (2) That portion, if any, of such taxes which is  
21 attributable to the increase in the current equalized  
22 assessed valuation of each taxable lot, block, tract, or  
23 parcel of real property in the redevelopment project area,  
24 over and above the initial equalized assessed value of each  
25 property existing at the time tax increment financing was  
26 adopted, minus the total current homestead exemptions  
27 pertaining to each piece of property provided by Sections  
28 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax Code in  
29 the redevelopment project area, shall be allocated to and  
30 when collected shall be paid to the municipal Treasurer,  
31 who shall deposit said taxes into a special fund called the  
32 special tax allocation fund of the municipality for the  
33 purpose of paying redevelopment project costs and  
34 obligations incurred in the payment thereof.

1           The municipality may pledge in the ordinance the funds in  
2 and to be deposited in the special tax allocation fund for the  
3 payment of such costs and obligations. No part of the current  
4 equalized assessed valuation of each property in the  
5 redevelopment project area attributable to any increase above  
6 the total initial equalized assessed value, or the total  
7 initial equalized assessed value as adjusted, of such  
8 properties shall be used in calculating the general State  
9 school aid formula, provided for in Section 18-8 of the School  
10 Code, until such time as all redevelopment project costs have  
11 been paid as provided for in this Section.

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

31           When such redevelopment projects costs, including without  
32 limitation all municipal obligations financing redevelopment  
33 project costs incurred under this Division, have been paid, all  
34 surplus funds then remaining in the special tax allocation fund

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

15 Upon the payment of all redevelopment project costs, the  
16 retirement of obligations, the distribution of any excess  
17 monies pursuant to this Section, and final closing of the books  
18 and records of the redevelopment project area, the municipality  
19 shall adopt an ordinance dissolving the special tax allocation  
20 fund for the redevelopment project area and terminating the  
21 designation of the redevelopment project area as a  
22 redevelopment project area. Title to real or personal property  
23 and public improvements acquired by or for the municipality as  
24 a result of the redevelopment project and plan shall vest in  
25 the municipality when acquired and shall continue to be held by  
26 the municipality after the redevelopment project area has been  
27 terminated. Municipalities shall notify affected taxing  
28 districts prior to November 1 if the redevelopment project area  
29 is to be terminated by December 31 of that same year. If a  
30 municipality extends estimated dates of completion of a  
31 redevelopment project and retirement of obligations to finance  
32 a redevelopment project, as allowed by this amendatory Act of  
33 1993, that extension shall not extend the property tax  
34 increment allocation financing authorized by this Section.

1 Thereafter the rates of the taxing districts shall be extended  
2 and taxes levied, collected and distributed in the manner  
3 applicable in the absence of the adoption of tax increment  
4 allocation financing.

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

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

12 (65 ILCS 5/11-74.4-9) (from Ch. 24, par. 11-74.4-9)

13 Sec. 11-74.4-9. Equalized assessed value of property.

14 (a) If a municipality by ordinance provides for tax  
15 increment allocation financing pursuant to Section 11-74.4-8,  
16 the county clerk immediately thereafter shall determine (1) the  
17 most recently ascertained equalized assessed value of each lot,  
18 block, tract or parcel of real property within such  
19 redevelopment project area from which shall be deducted the  
20 homestead exemptions provided by Sections 15-170, ~~and~~ 15-175,  
21 and 15-176 of the Property Tax Code, which value shall be the  
22 "initial equalized assessed value" of each such piece of  
23 property, and (2) the total equalized assessed value of all  
24 taxable real property within such redevelopment project area by  
25 adding together the most recently ascertained equalized  
26 assessed value of each taxable lot, block, tract, or parcel of  
27 real property within such project area, from which shall be  
28 deducted the homestead exemptions provided by Sections 15-170,  
29 ~~and~~ 15-175, and 15-176 of the Property Tax Code, and shall  
30 certify such amount as the "total initial equalized assessed  
31 value" of the taxable real property within such project area.

32 (b) In reference to any municipality which has adopted tax  
33 increment financing after January 1, 1978, and in respect to

1 which the county clerk has certified the "total initial  
2 equalized assessed value" of the property in the redevelopment  
3 area, the municipality may thereafter request the clerk in  
4 writing to adjust the initial equalized value of all taxable  
5 real property within the redevelopment project area by  
6 deducting therefrom the exemptions provided for by Sections  
7 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax Code  
8 applicable to each lot, block, tract or parcel of real property  
9 within such redevelopment project area. The county clerk shall  
10 immediately after the written request to adjust the total  
11 initial equalized value is received determine the total  
12 homestead exemptions in the redevelopment project area  
13 provided by Sections 15-170, ~~and~~ 15-175, and 15-176 of the  
14 Property Tax Code by adding together the homestead exemptions  
15 provided by said Sections on each lot, block, tract or parcel  
16 of real property within such redevelopment project area and  
17 then shall deduct the total of said exemptions from the total  
18 initial equalized assessed value. The county clerk shall then  
19 promptly certify such amount as the "total initial equalized  
20 assessed value as adjusted" of the taxable real property within  
21 such redevelopment project area.

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



1 property in such area, except that after he has certified the  
2 "total initial equalized assessed value as adjusted" he shall  
3 in the year of said certification if tax rates have not been  
4 extended and in every year thereafter that tax increment  
5 allocation financing is in effect ascertain the amount of value  
6 of taxable property in a redevelopment project area by  
7 including in such amount the lower of the current equalized  
8 assessed value or the certified "total initial equalized  
9 assessed value as adjusted" of all taxable real property in  
10 such area. The rate per cent of tax determined shall be  
11 extended to the current equalized assessed value of all  
12 property in the redevelopment project area in the same manner  
13 as the rate per cent of tax is extended to all other taxable  
14 property in the taxing district. The method of extending taxes  
15 established under this Section shall terminate when the  
16 municipality adopts an ordinance dissolving the special tax  
17 allocation fund for the redevelopment project area. This  
18 Division shall not be construed as relieving property owners  
19 within a redevelopment project area from paying a uniform rate  
20 of taxes upon the current equalized assessed value of their  
21 taxable property as provided in the Property Tax Code.

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

23 (65 ILCS 5/11-74.6-40)

24 Sec. 11-74.6-40. Equalized assessed value determination;  
25 property tax extension.

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

29 (1) shall determine the initial equalized assessed  
30 value of each parcel of real property in the redevelopment  
31 project area, which is the most recently established  
32 equalized assessed value of each lot, block, tract or  
33 parcel of taxable real property within the redevelopment

1 project area, minus the homestead exemptions provided by  
2 Sections 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax  
3 Code; and

4 (2) shall certify to the municipality the total initial  
5 equalized assessed value of all taxable real property  
6 within the redevelopment project area.

7 (b) Any municipality that has established a vacant  
8 industrial buildings conservation area may, by ordinance  
9 passed after the adoption of tax increment allocation  
10 financing, provide that the county clerk immediately  
11 thereafter shall again determine:

12 (1) the updated initial equalized assessed value of  
13 each lot, block, tract or parcel of real property, which is  
14 the most recently ascertained equalized assessed value of  
15 each lot, block, tract or parcel of real property within  
16 the vacant industrial buildings conservation area; and

17 (2) the total updated initial equalized assessed value  
18 of all taxable real property within the redevelopment  
19 project area, which is the total of the updated initial  
20 equalized assessed value of all taxable real property  
21 within the vacant industrial buildings conservation area.

22 The county clerk shall certify to the municipality the  
23 total updated initial equalized assessed value of all taxable  
24 real property within the industrial buildings conservation  
25 area.

26 (c) After the county clerk has certified the total initial  
27 equalized assessed value or the total updated initial equalized  
28 assessed value of the taxable real property in the area, for  
29 each taxing district in which a redevelopment project area is  
30 situated, the county clerk or any other official required by  
31 law to determine the amount of the equalized assessed value of  
32 all taxable property within the district for the purpose of  
33 computing the percentage rate of tax to be extended upon  
34 taxable property within the district, shall in every year that

1 tax increment allocation financing is in effect determine the  
2 total equalized assessed value of taxable property in a  
3 redevelopment project area by including in that amount the  
4 lower of the current equalized assessed value or the certified  
5 total initial equalized assessed value or, if the total of  
6 updated equalized assessed value has been certified, the total  
7 updated initial equalized assessed value of all taxable real  
8 property in the redevelopment project area. After he has  
9 certified the total initial equalized assessed value he shall  
10 in the year of that certification, if tax rates have not been  
11 extended, and in every subsequent year that tax increment  
12 allocation financing is in effect, determine the amount of  
13 equalized assessed value of taxable property in a redevelopment  
14 project area by including in that amount the lower of the  
15 current total equalized assessed value or the certified total  
16 initial equalized assessed value or, if the total of updated  
17 initial equalized assessed values have been certified, the  
18 total updated initial equalized assessed value of all taxable  
19 real property in the redevelopment project area.

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

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

33 Section 30. The Economic Development Project Area Tax

1 Increment Allocation Act of 1995 is amended by changing Section  
2 45 as follows:

3 (65 ILCS 110/45)

4 Sec. 45. Filing with county clerk; certification of initial  
5 equalized assessed value.

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

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

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

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

23 Section 35. The School Code is amended by changing Section  
24 18-8.05 as follows:

25 (105 ILCS 5/18-8.05)

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

29 (A) General Provisions.

30 (1) The provisions of this Section apply to the 1998-1999  
31 and subsequent school years. The system of general State

1 financial aid provided for in this Section is designed to  
2 assure that, through a combination of State financial aid and  
3 required local resources, the financial support provided each  
4 pupil in Average Daily Attendance equals or exceeds a  
5 prescribed per pupil Foundation Level. This formula approach  
6 imputes a level of per pupil Available Local Resources and  
7 provides for the basis to calculate a per pupil level of  
8 general State financial aid that, when added to Available Local  
9 Resources, equals or exceeds the Foundation Level. The amount  
10 of per pupil general State financial aid for school districts,  
11 in general, varies in inverse relation to Available Local  
12 Resources. Per pupil amounts are based upon each school  
13 district's Average Daily Attendance as that term is defined in  
14 this Section.

15 (2) In addition to general State financial aid, school  
16 districts with specified levels or concentrations of pupils  
17 from low income households are eligible to receive supplemental  
18 general State financial aid grants as provided pursuant to  
19 subsection (H). The supplemental State aid grants provided for  
20 school districts under subsection (H) shall be appropriated for  
21 distribution to school districts as part of the same line item  
22 in which the general State financial aid of school districts is  
23 appropriated under this Section.

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

27 (a) Any school district which fails for any given  
28 school year to maintain school as required by law, or to  
29 maintain a recognized school is not eligible to file for  
30 such school year any claim upon the Common School Fund. In  
31 case of nonrecognition of one or more attendance centers in  
32 a school district otherwise operating recognized schools,  
33 the claim of the district shall be reduced in the  
34 proportion which the Average Daily Attendance in the

1 attendance center or centers bear to the Average Daily  
2 Attendance in the school district. A "recognized school"  
3 means any public school which meets the standards as  
4 established for recognition by the State Board of  
5 Education. A school district or attendance center not  
6 having recognition status at the end of a school term is  
7 entitled to receive State aid payments due upon a legal  
8 claim which was filed while it was recognized.

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

12 (c) If a school district operates a full year school  
13 under Section 10-19.1, the general State aid to the school  
14 district shall be determined by the State Board of  
15 Education in accordance with this Section as near as may be  
16 applicable.

17 (d) (Blank).

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

22 School districts are not required to exert a minimum  
23 Operating Tax Rate in order to qualify for assistance under  
24 this Section.

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

27 (a) "Average Daily Attendance": A count of pupil  
28 attendance in school, averaged as provided for in  
29 subsection (C) and utilized in deriving per pupil financial  
30 support levels.

31 (b) "Available Local Resources": A computation of  
32 local financial support, calculated on the basis of Average  
33 Daily Attendance and derived as provided pursuant to  
34 subsection (D).

1 (c) "Corporate Personal Property Replacement Taxes":  
2 Funds paid to local school districts pursuant to "An Act in  
3 relation to the abolition of ad valorem personal property  
4 tax and the replacement of revenues lost thereby, and  
5 amending and repealing certain Acts and parts of Acts in  
6 connection therewith", certified August 14, 1979, as  
7 amended (Public Act 81-1st S.S.-1).

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

10 (e) "Operating Tax Rate": All school district property  
11 taxes extended for all purposes, except Bond and Interest,  
12 Summer School, Rent, Capital Improvement, and Vocational  
13 Education Building purposes.

14 (B) Foundation Level.

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

25 (2) For the 1998-1999 school year, the Foundation Level of  
26 support is \$4,225. For the 1999-2000 school year, the  
27 Foundation Level of support is \$4,325. For the 2000-2001 school  
28 year, the Foundation Level of support is \$4,425.

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

31 (4) For the 2003-2004 school year and each school year  
32 thereafter, the Foundation Level of support is \$4,810 or such  
33 greater amount as may be established by law by the General



1 Assembly.

2 (C) Average Daily Attendance.

3 (1) For purposes of calculating general State aid pursuant  
4 to subsection (E), an Average Daily Attendance figure shall be  
5 utilized. The Average Daily Attendance figure for formula  
6 calculation purposes shall be the monthly average of the actual  
7 number of pupils in attendance of each school district, as  
8 further averaged for the best 3 months of pupil attendance for  
9 each school district. In compiling the figures for the number  
10 of pupils in attendance, school districts and the State Board  
11 of Education shall, for purposes of general State aid funding,  
12 conform attendance figures to the requirements of subsection  
13 (F).

14 (2) The Average Daily Attendance figures utilized in  
15 subsection (E) 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 or the average of the  
18 attendance data for the 3 preceding school years, whichever is  
19 greater. The Average Daily Attendance figures utilized in  
20 subsection (H) shall be the requisite attendance data for the  
21 school year immediately preceding the school year for which  
22 general State aid is being calculated.

23 (D) Available Local Resources.

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

32 (2) In determining a school district's revenue from local

1 property taxes, the State Board of Education shall utilize the  
2 equalized assessed valuation of all taxable property of each  
3 school district as of September 30 of the previous year. The  
4 equalized assessed valuation utilized shall be obtained and  
5 determined as provided in subsection (G).

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

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

30 (E) Computation of General State Aid.

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

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

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

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

28           (5) The amount of general State aid allocated to a school  
29 district for the 1999-2000 school year meeting the requirements  
30 set forth in paragraph (4) of subsection (G) shall be increased  
31 by an amount equal to the general State aid that would have  
32 been received by the district for the 1998-1999 school year by  
33 utilizing the Extension Limitation Equalized Assessed  
34 Valuation as calculated in paragraph (4) of subsection (G) less

1 the general State aid allotted for the 1998-1999 school year.  
2 This amount shall be deemed a one time increase, and shall not  
3 affect any future general State aid allocations.

4 (F) Compilation of Average Daily Attendance.

5 (1) Each school district shall, by July 1 of each year,  
6 submit to the State Board of Education, on forms prescribed by  
7 the State Board of Education, attendance figures for the school  
8 year that began in the preceding calendar year. The attendance  
9 information so transmitted shall identify the average daily  
10 attendance figures for each month of the school year. Beginning  
11 with the general State aid claim form for the 2002-2003 school  
12 year, districts shall calculate Average Daily Attendance as  
13 provided in subdivisions (a), (b), and (c) of this paragraph  
14 (1).

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

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

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

1 attendance of the non-year-round buildings.

2 Except as otherwise provided in this Section, days of  
3 attendance by pupils shall be counted only for sessions of not  
4 less than 5 clock hours of school work per day under direct  
5 supervision of: (i) teachers, or (ii) non-teaching personnel or  
6 volunteer personnel when engaging in non-teaching duties and  
7 supervising in those instances specified in subsection (a) of  
8 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils  
9 of legal school age and in kindergarten and grades 1 through  
10 12.

11 Days of attendance by tuition pupils shall be accredited  
12 only to the districts that pay the tuition to a recognized  
13 school.

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

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

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

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

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

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

1 attendance, however these pupils must receive 4 or more  
2 clock hours of instruction to be counted for a full day of  
3 attendance.

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

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

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

33 (G) Equalized Assessed Valuation Data.

1           (1) For purposes of the calculation of Available Local  
2 Resources required pursuant to subsection (D), the State Board  
3 of Education shall secure from the Department of Revenue the  
4 value as equalized or assessed by the Department of Revenue of  
5 all taxable property of every school district, together with  
6 (i) the applicable tax rate used in extending taxes for the  
7 funds of the district as of September 30 of the previous year  
8 and (ii) the limiting rate for all school districts subject to  
9 property tax extension limitations as imposed under the  
10 Property Tax Extension Limitation Law.

11           The Department of Revenue shall add to the equalized  
12 assessed 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 located in Cook County  
17 and situated in that school district exceeds the total amount  
18 that would have been allowed in that school district if the  
19 maximum reduction under Section 15-176 was \$4,500. The county  
20 clerk of any county with 3,000,000 or more inhabitants shall  
21 annually calculate and certify to the Department of Revenue for  
22 each school district all homestead exemption amounts under  
23 Section 15-176. It is the intent of this paragraph that if the  
24 general homestead exemption for a parcel of property is  
25 determined under Section 15-176 of the Property Tax Code rather  
26 than Section 15-175, then the calculation of Available Local  
27 Resources shall not be affected by the difference, if any,  
28 between the amount of the general homestead exemption allowed  
29 for that parcel of property under Section 15-176 of the  
30 Property Tax Code and the amount that would have been allowed  
31 had the general homestead exemption for that parcel of property  
32 been determined under Section 15-175 of the Property Tax Code.

33           This equalized assessed valuation, as adjusted further by  
34 the requirements of this subsection, shall be utilized in the



1 calculation of Available Local Resources.

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

4 (a) For the purposes of calculating State aid under  
5 this Section, with respect to any part of a school district  
6 within a redevelopment project area in respect to which a  
7 municipality has adopted tax increment allocation  
8 financing pursuant to the Tax Increment Allocation  
9 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11  
10 of the Illinois Municipal Code or the Industrial Jobs  
11 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the  
12 Illinois Municipal Code, no part of the current equalized  
13 assessed valuation of real property located in any such  
14 project area which is attributable to an increase above the  
15 total initial equalized assessed valuation of such  
16 property shall be used as part of the equalized assessed  
17 valuation of the district, until such time as all  
18 redevelopment project costs have been paid, as provided in  
19 Section 11-74.4-8 of the Tax Increment Allocation  
20 Redevelopment Act or in Section 11-74.6-35 of the  
21 Industrial Jobs Recovery Law. For the purpose of the  
22 equalized assessed valuation of the district, the total  
23 initial equalized assessed valuation or the current  
24 equalized assessed valuation, whichever is lower, shall be  
25 used until such time as all redevelopment project costs  
26 have been paid.

27 (b) The real property equalized assessed valuation for  
28 a school district shall be adjusted by subtracting from the  
29 real property value as equalized or assessed by the  
30 Department of Revenue for the district an amount computed  
31 by dividing the amount of any abatement of taxes under  
32 Section 18-170 of the Property Tax Code by 3.00% for a  
33 district maintaining grades kindergarten through 12, by  
34 2.30% for a district maintaining grades kindergarten

1 through 8, or by 1.05% for a district maintaining grades 9  
2 through 12 and adjusted by an amount computed by dividing  
3 the amount of any abatement of taxes under subsection (a)  
4 of Section 18-165 of the Property Tax Code by the same  
5 percentage rates for district type as specified in this  
6 subparagraph (b).

7 (3) For the 1999-2000 school year and each school year  
8 thereafter, if a school district meets all of the criteria of  
9 this subsection (G) (3), the school district's Available Local  
10 Resources shall be calculated under subsection (D) using the  
11 district's Extension Limitation Equalized Assessed Valuation  
12 as calculated under this subsection (G) (3).

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

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

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

19 "Preceding Tax Year": The property tax levy year  
20 immediately preceding the Base Tax Year.

21 "Base Tax Year's Tax Extension": The product of the  
22 equalized assessed valuation utilized by the County Clerk  
23 in the Base Tax Year multiplied by the limiting rate as  
24 calculated by the County Clerk and defined in the Property  
25 Tax Extension Limitation Law.

26 "Preceding Tax Year's Tax Extension": The product of  
27 the equalized assessed valuation utilized by the County  
28 Clerk in the Preceding Tax Year multiplied by the Operating  
29 Tax Rate as defined in subsection (A).

30 "Extension Limitation Ratio": A numerical ratio,  
31 certified by the County Clerk, in which the numerator is  
32 the Base Tax Year's Tax Extension and the denominator is  
33 the Preceding Tax Year's Tax Extension.

34 "Operating Tax Rate": The operating tax rate as defined

1 in subsection (A).

2 If a school district is subject to property tax extension  
3 limitations as imposed under the Property Tax Extension  
4 Limitation Law, the State Board of Education shall calculate  
5 the Extension Limitation Equalized Assessed Valuation of that  
6 district. For the 1999-2000 school year, the Extension  
7 Limitation Equalized Assessed Valuation of a school district as  
8 calculated by the State Board of Education shall be equal to  
9 the product of the district's 1996 Equalized Assessed Valuation  
10 and the district's Extension Limitation Ratio. For the  
11 2000-2001 school year and each school year thereafter, the  
12 Extension Limitation Equalized Assessed Valuation of a school  
13 district as calculated by the State Board of Education shall be  
14 equal to the product of the Equalized Assessed Valuation last  
15 used in the calculation of general State aid and the district's  
16 Extension Limitation Ratio. If the Extension Limitation  
17 Equalized Assessed Valuation of a school district as calculated  
18 under this subsection (G)(3) is less than the district's  
19 equalized assessed valuation as calculated pursuant to  
20 subsections (G)(1) and (G)(2), then for purposes of calculating  
21 the district's general State aid for the Budget Year pursuant  
22 to subsection (E), that Extension Limitation Equalized  
23 Assessed Valuation shall be utilized to calculate the  
24 district's Available Local Resources under subsection (D).

25 (4) For the purposes of calculating general State aid for  
26 the 1999-2000 school year only, if a school district  
27 experienced a triennial reassessment on the equalized assessed  
28 valuation used in calculating its general State financial aid  
29 apportionment for the 1998-1999 school year, the State Board of  
30 Education shall calculate the Extension Limitation Equalized  
31 Assessed Valuation that would have been used to calculate the  
32 district's 1998-1999 general State aid. This amount shall equal  
33 the product of the equalized assessed valuation used to  
34 calculate general State aid for the 1997-1998 school year and

1 the district's Extension Limitation Ratio. If the Extension  
2 Limitation Equalized Assessed Valuation of the school district  
3 as calculated under this paragraph (4) is less than the  
4 district's equalized assessed valuation utilized in  
5 calculating the district's 1998-1999 general State aid  
6 allocation, then for purposes of calculating the district's  
7 general State aid pursuant to paragraph (5) of subsection (E),  
8 that Extension Limitation Equalized Assessed Valuation shall  
9 be utilized to calculate the district's Available Local  
10 Resources.

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

23 (H) Supplemental General State Aid.

24 (1) In addition to the general State aid a school district  
25 is allotted pursuant to subsection (E), qualifying school  
26 districts shall receive a grant, paid in conjunction with a  
27 district's payments of general State aid, for supplemental  
28 general State aid based upon the concentration level of  
29 children from low-income households within the school  
30 district. Supplemental State aid grants provided for school  
31 districts under this subsection shall be appropriated for  
32 distribution to school districts as part of the same line item  
33 in which the general State financial aid of school districts is

1 appropriated under this Section. If the appropriation in any  
2 fiscal year for general State aid and supplemental general  
3 State aid is insufficient to pay the amounts required under the  
4 general State aid and supplemental general State aid  
5 calculations, then the State Board of Education shall ensure  
6 that each school district receives the full amount due for  
7 general State aid and the remainder of the appropriation shall  
8 be used for supplemental general State aid, which the State  
9 Board of Education shall calculate and pay to eligible  
10 districts on a prorated basis.

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

1 supplemental general State aid grants for school years  
2 preceding the 2003-2004 school year that are paid in fiscal  
3 year 1999 or thereafter and to any State aid payments made in  
4 fiscal year 1994 through fiscal year 1998 pursuant to  
5 subsection 1(n) of Section 18-8 of this Code (which was  
6 repealed on July 1, 1998), and any high school district that is  
7 affected by Public Act 92-28 is entitled to a recomputation of  
8 its supplemental general State aid grant or State aid paid in  
9 any of those fiscal years. This recomputation shall not be  
10 affected by any other funding.

11 (1.10) This paragraph (1.10) applies to the 2003-2004  
12 school year and each school year thereafter. For purposes of  
13 this subsection (H), the term "Low-Income Concentration Level"  
14 shall, for each fiscal year, be the low-income eligible pupil  
15 count as of July 1 of the immediately preceding fiscal year (as  
16 determined by the Department of Human Services based on the  
17 number of pupils who are eligible for at least one of the  
18 following low income programs: Medicaid, KidCare, TANF, or Food  
19 Stamps, excluding pupils who are eligible for services provided  
20 by the Department of Children and Family Services, averaged  
21 over the 2 immediately preceding fiscal years for fiscal year  
22 2004 and over the 3 immediately preceding fiscal years for each  
23 fiscal year thereafter) divided by the Average Daily Attendance  
24 of the school district.

25 (2) Supplemental general State aid pursuant to this  
26 subsection (H) shall be provided as follows for the 1998-1999,  
27 1999-2000, and 2000-2001 school years only:

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

32 (b) For any school district with a Low Income  
33 Concentration Level of at least 35% and less than 50%, the  
34 grant for the 1998-1999 school year shall be \$1,100

1 multiplied by the low income eligible pupil count.

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

6 (d) For any school district with a Low Income  
7 Concentration Level of 60% or more, the grant for the  
8 1998-99 school year shall be \$1,900 multiplied by the low  
9 income eligible pupil count.

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

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

18 (2.5) Supplemental general State aid pursuant to this  
19 subsection (H) shall be provided as follows for the 2002-2003  
20 school year:

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

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

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

33 (d) For any school district with a Low Income  
34 Concentration Level of at least 35% and less than 50%, the

1 grant for each school year shall be \$1,362 multiplied by  
2 the low income eligible pupil count.

3 (e) For any school district with a Low Income  
4 Concentration Level of at least 50% and less than 60%, the  
5 grant for each school year shall be \$1,680 multiplied by  
6 the low income eligible pupil count.

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

11 (2.10) Except as otherwise provided, supplemental general  
12 State aid pursuant to this subsection (H) shall be provided as  
13 follows for the 2003-2004 school year and each school year  
14 thereafter:

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

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

24 For the 2003-2004 school year only, the grant shall be no  
25 less than the grant for the 2002-2003 school year. For the  
26 2004-2005 school year only, the grant shall be no less than the  
27 grant for the 2002-2003 school year multiplied by 0.66. For the  
28 2005-2006 school year only, the grant shall be no less than the  
29 grant for the 2002-2003 school year multiplied by 0.33.

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



1 grant received during the 2002-2003 school year. For the  
2 2004-2005 school year only, the grant shall be no greater than  
3 the grant received during the 2002-2003 school year added to  
4 the product of 0.50 multiplied by the difference between the  
5 grant amount calculated under subsection (a) or (b) of this  
6 paragraph (2.10), whichever is applicable, and the grant  
7 received during the 2002-2003 school year. For the 2005-2006  
8 school year only, the grant shall be no greater than the grant  
9 received during the 2002-2003 school year added to the product  
10 of 0.75 multiplied by the difference between the grant amount  
11 calculated under subsection (a) or (b) of this paragraph  
12 (2.10), whichever is applicable, and the grant received during  
13 the 2002-2003 school year.

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

24 (4) School districts with an Average Daily Attendance of  
25 50,000 or more that qualify for supplemental general State aid  
26 pursuant to this subsection shall be required to distribute  
27 from funds available pursuant to this Section, no less than  
28 \$261,000,000 in accordance with the following requirements:

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

1 immediately preceding school year.

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

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

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

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

1 by board rule.

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

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

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

31 For purposes of determining compliance with this  
32 subsection in relation to the requirements of attendance  
33 center funding, each district subject to the provisions of  
34 this subsection shall submit as a separate document by

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

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

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

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

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

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

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

25 (3.5) Claims for financial assistance under this  
26 subsection (I) shall not be recomputed except as expressly  
27 provided under this Section.

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

31 (J) Supplementary Grants in Aid.

32 (1) Notwithstanding any other provisions of this Section,  
33 the amount of the aggregate general State aid in combination

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

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

29 (3) (Blank).

30 (K) Grants to Laboratory and Alternative Schools.

31 In calculating the amount to be paid to the governing board  
32 of a public university that operates a laboratory school under  
33 this Section or to any alternative school that is operated by a

1 regional superintendent of schools, the State Board of  
2 Education shall require by rule such reporting requirements as  
3 it deems necessary.

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

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

32 Each laboratory and alternative school shall file, on forms  
33 provided by the State Superintendent of Education, an annual  
34 State aid claim which states the Average Daily Attendance of



1 the school's students by month. The best 3 months' Average  
2 Daily Attendance shall be computed for each school. The general  
3 State aid entitlement shall be computed by multiplying the  
4 applicable Average Daily Attendance by the Foundation Level as  
5 determined under this Section.

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

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

20 (2) (Blank).

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

23 (M) Education Funding Advisory Board.

24 The Education Funding Advisory Board, hereinafter in this  
25 subsection (M) referred to as the "Board", is hereby created.  
26 The Board shall consist of 5 members who are appointed by the  
27 Governor, by and with the advice and consent of the Senate. The  
28 members appointed shall include representatives of education,  
29 business, and the general public. One of the members so  
30 appointed shall be designated by the Governor at the time the  
31 appointment is made as the chairperson of the Board. The  
32 initial members of the Board may be appointed any time after

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

27 The Education Funding Advisory Board shall be deemed  
28 established, and the initial members appointed by the Governor  
29 to serve as members of the Board shall take office, on the date  
30 that the Governor makes his or her appointment of the fifth  
31 initial member of the Board, whether those initial members are  
32 then serving pursuant to appointment and confirmation or  
33 pursuant to temporary appointments that are made by the  
34 Governor as in the case of vacancies.

1           The State Board of Education shall provide such staff  
2 assistance to the Education Funding Advisory Board as is  
3 reasonably required for the proper performance by the Board of  
4 its responsibilities.

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

19       (N) (Blank).

20       (O) References.

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

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

29       (Source: P.A. 92-16, eff. 6-28-01; 92-28, eff. 7-1-01; 92-29,  
30 eff. 7-1-01; 92-269, eff. 8-7-01; 92-604, eff. 7-1-02; 92-636,  
31 eff. 7-11-02; 92-651, eff. 7-11-02; 93-21, eff. 7-1-03.)

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

3 (720 ILCS 5/17A-1) (from Ch. 38, par. 17A-1)

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

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

18 (b) Grants under the Senior Citizens and Disabled Persons  
19 Property Tax Relief and Pharmaceutical Assistance Act.

20 (c) The double income tax exemption conferred upon persons  
21 65 years of age or older by Section 204 of the Illinois Income  
22 Tax Act.

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

24 (e) Reductions in vehicle registration fees under Section  
25 3-806.3 of the Illinois Vehicle Code.

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

28 (g) Tuition free courses for senior citizens under the  
29 Senior Citizen Courses Act.

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

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

32 Section 90. The State Mandates Act is amended by adding

1 Section 8.28 as follows:

2 (30 ILCS 805/8.28 new)

3 Sec. 8.28. Exempt mandate. Notwithstanding Sections 6 and 8  
4 of this Act, no reimbursement by the State is required for the  
5 implementation of any mandate created by the General Homestead  
6 Exemption under Section 15-176 of the Property Tax Code.

7 Section 99. Effective date. This Act takes effect upon  
8 becoming law.".