

AN ACT concerning transportation.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Property Tax Code is amended by changing Section 18-185 as follows:

(35 ILCS 200/18-185)

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

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

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

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

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

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

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

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

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

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

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

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

the Chicago Park District for recreational programs for the handicapped under subsection (c) of Section 7.06 of the Chicago Park District Act; (p) made for contributions to a firefighter's pension fund created under Article 4 of the Illinois Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code; and (q) made by Ford Heights School District 169 under Section 17-9.02 of the School Code.

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

making this Law applicable to the taxing district is held if the bonds were approved by referendum after the date on which the referendum making this Law applicable to the taxing district is held; (e) made for any taxing district to pay interest or principal on revenue bonds issued before the date on which the referendum making this Law applicable to the taxing district is held for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before the date on which the referendum making this Law applicable to the taxing district is held to pay for the building project; (g) made for payments due under installment contracts entered into before the date on which the referendum making this Law applicable to the taxing district is held; (h) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), and (e) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum; (i) made for payments of principal and interest on bonds issued under

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

"Aggregate extension" for all taxing districts to which this Law applies in accordance with paragraph (2) of subsection (e) of Section 18-213 means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before

the effective date of this amendatory Act of 1997; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before the effective date of this amendatory Act of 1997; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after the effective date of this amendatory Act of 1997 if the bonds were approved by referendum after the effective date of this amendatory Act of 1997; (e) made for any taxing district to pay interest or principal on revenue bonds issued before the effective date of this amendatory Act of 1997 for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before the effective date of this amendatory Act of 1997 to pay for the building project; (g) made for payments due under installment contracts entered into before the effective date of this amendatory Act of 1997; (h) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), and (e) of

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

"Debt service extension base" means an amount equal to that portion of the extension for a taxing district for the 1994 levy year, or for those taxing districts subject to this Law in accordance with Section 18-213, except for those subject to paragraph (2) of subsection (e) of Section 18-213, for the levy year in which the referendum making this Law applicable to the taxing district is held, or for those taxing districts subject to this Law in accordance with paragraph (2) of subsection (e) of Section 18-213 for the 1996 levy year, constituting an

extension for payment of principal and interest on bonds issued by the taxing district without referendum, but not including excluded non-referendum bonds. For park districts (i) that were first subject to this Law in 1991 or 1995 and (ii) whose extension for the 1994 levy year for the payment of principal and interest on bonds issued by the park district without referendum (but not including excluded non-referendum bonds) was less than 51% of the amount for the 1991 levy year constituting an extension for payment of principal and interest on bonds issued by the park district without referendum (but not including excluded non-referendum bonds), "debt service extension base" means an amount equal to that portion of the extension for the 1991 levy year constituting an extension for payment of principal and interest on bonds issued by the park district without referendum (but not including excluded non-referendum bonds). A debt service extension base established or increased at any time pursuant to any provision of this Law, except Section 18-212, shall be increased each year commencing with the later of (i) the 2009 levy year or (ii) the first levy year in which this Law becomes applicable to the taxing district, by the lesser of 5% or the percentage increase in the Consumer Price Index during the 12-month calendar year preceding the levy year. The debt service extension base may be established or increased as provided under Section 18-212. "Excluded non-referendum bonds" means (i) bonds authorized by Public Act 88-503 and issued under

Section 20a of the Chicago Park District Act for aquarium and museum projects; (ii) bonds issued under Section 15 of the Local Government Debt Reform Act; or (iii) refunding obligations issued to refund or to continue to refund obligations initially issued pursuant to referendum.

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

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

district would have been for the last preceding levy year if either or both (i) actual, rather than estimated, valuations or rates had been used to calculate the extension of taxes for the last levy year, or (ii) the tax extension for the last preceding levy year had not been adjusted as required by subsection (c) of Section 18-135.

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

"New property" means (i) the assessed value, after final board of review or board of appeals action, of new improvements or additions to existing improvements on any parcel of real property that increase the assessed value of that real property during the levy year multiplied by the equalization factor issued by the Department under Section 17-30, (ii) the assessed value, after final board of review or board of appeals action, of real property not exempt from real estate taxation, which real property was exempt from real estate taxation for any portion of the immediately preceding levy year, multiplied by the equalization factor issued by the Department under Section 17-30, including the assessed value, upon final stabilization of occupancy after new construction is complete, of any real property located within the boundaries of an otherwise or previously exempt military reservation that is intended for residential use and owned by or leased to a private corporation or other entity, and (iii) in counties that classify in accordance with Section 4 of Article IX of the Illinois

Constitution, an incentive property's additional assessed value resulting from a scheduled increase in the level of assessment as applied to the first year final board of review market value. In addition, the county clerk in a county containing a population of 3,000,000 or more shall include in the 1997 recovered tax increment value for any school district, any recovered tax increment value that was applicable to the 1995 tax year calculations.

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

"Recovered tax increment value" means, except as otherwise provided in this paragraph, the amount of the current year's equalized assessed value, in the first year after a municipality terminates the designation of an area as a redevelopment project area previously established under the Tax Increment Allocation Development Act in the Illinois Municipal Code, previously established under the Industrial Jobs Recovery Law in the Illinois Municipal Code, previously established under the Economic Development Project Area Tax Increment Act of 1995, or previously established under the Economic Development Area Tax Increment Allocation Act, of each taxable lot, block, tract, or parcel of real property in the redevelopment project area over and above the initial equalized assessed value of each property in the redevelopment project

area. For the taxes which are extended for the 1997 levy year, the recovered tax increment value for a non-home rule taxing district that first became subject to this Law for the 1995 levy year because a majority of its 1994 equalized assessed value was in an affected county or counties shall be increased if a municipality terminated the designation of an area in 1993 as a redevelopment project area previously established under the Tax Increment Allocation Development Act in the Illinois Municipal Code, previously established under the Industrial Jobs Recovery Law in the Illinois Municipal Code, or previously established under the Economic Development Area Tax Increment Allocation Act, by an amount equal to the 1994 equalized assessed value of each taxable lot, block, tract, or parcel of real property in the redevelopment project area over and above the initial equalized assessed value of each property in the redevelopment project area. In the first year after a municipality removes a taxable lot, block, tract, or parcel of real property from a redevelopment project area established under the Tax Increment Allocation Development Act in the Illinois Municipal Code, the Industrial Jobs Recovery Law in the Illinois Municipal Code, or the Economic Development Area Tax Increment Allocation Act, "recovered tax increment value" means the amount of the current year's equalized assessed value of each taxable lot, block, tract, or parcel of real property removed from the redevelopment project area over and above the initial equalized assessed value of that real property before

removal from the redevelopment project area.

Except as otherwise provided in this Section, "limiting rate" means a fraction the numerator of which is the last preceding aggregate extension base times an amount equal to one plus the extension limitation defined in this Section and the denominator of which is the current year's equalized assessed value of all real property in the territory under the jurisdiction of the taxing district during the prior levy year. For those taxing districts that reduced their aggregate extension for the last preceding levy year, the highest aggregate extension in any of the last 3 preceding levy years shall be used for the purpose of computing the limiting rate. The denominator shall not include new property or the recovered tax increment value. If a new rate, a rate decrease, or a limiting rate increase has been approved at an election held after March 21, 2006, then (i) the otherwise applicable limiting rate shall be increased by the amount of the new rate or shall be reduced by the amount of the rate decrease, as the case may be, or (ii) in the case of a limiting rate increase, the limiting rate shall be equal to the rate set forth in the proposition approved by the voters for each of the years specified in the proposition, after which the limiting rate of the taxing district shall be calculated as otherwise provided.

(Source: P.A. 95-90, eff. 1-1-08; 95-331, eff. 8-21-07; 95-404, eff. 1-1-08; 95-876, eff. 8-21-08; 96-501, eff. 8-14-09; 96-517, eff. 8-14-09; 96-1000, eff. 7-2-10; 96-1202, eff.

7-22-10.)

Section 10. The Township Code is amended by changing Sections 235-5 and 235-10 as follows:

(60 ILCS 1/235-5)

Sec. 235-5. Township taxes for various purposes. The township board may raise money, by taxation not exceeding the rates established in Section 235-10, for the following purposes:

(1) Prosecuting or defending suits by or against the township or in which the township is interested.

(2) Maintaining cemeteries under the control, management, and ownership of the township and controlling, managing, and maintaining public cemeteries not operated for profit, notwithstanding the provisions of Section 1c of the Public Graveyards Act.

(3) Maintaining and operating a public nonsectarian hospital under Article 175. This authorization does not apply to any township that avails itself of the provisions of Article 170.

(4) Maintaining and operating a township committee on youth under Section 215-5.

(5) Providing mental health services under Section 190-10.

(6) Providing services in cooperation with another

governmental entity, not-for-profit corporation, or nonprofit community service association under Section 85-13.

(7) Maintaining and operating a township committee for senior citizens' services under Section 220-10.

(8) Maintaining and operating a township health service that may provide, but is not required to provide or limited to providing, examination, diagnosis, testing, and inoculation and all necessary and appurtenant personnel, equipment, and insurance.

(9) Accumulating moneys in a dedicated fund for a specific capital construction or maintenance project or a major equipment purchase. The annual budget and appropriation ordinance for the township shall state the amount, purpose, and duration of any accumulation of funds authorized under this Section, with specific reference to each project to be constructed or equipment to be purchased. Nothing in this item precludes a township from accumulating moneys as provided in Section 6-501 of the Illinois Highway Code.

(10) Executing the rights, powers, duties, and responsibilities, or satisfying the liabilities or obligations, assumed from a road district abolished under the provisions of Section 6-133 of the Illinois Highway Code.

(11) ~~(10)~~ Any other purpose authorized by law.

(Source: P.A. 91-357, eff. 7-29-99; 92-656, eff. 7-16-02.)

(60 ILCS 1/235-10)

Sec. 235-10. Rate of tax; referendum to increase maximum rate.

(a) In townships having an equalized assessed valuation of \$36,000,000 or more, taxes authorized by subsection (a) may be extended at a rate not exceeding 0.25% of value, as equalized or assessed by the Department of Revenue, of all taxable property in the township.

(b) In townships having an equalized assessed valuation of \$30,000,000 but less than \$36,000,000, taxes authorized by subsection (a) may be extended at a rate calculated to yield tax revenues not exceeding \$90,000.

(c) In townships having an equalized assessed valuation of \$15,000,000 but less than \$30,000,000, taxes authorized by subsection (a) may be extended at a rate not exceeding the rate computed by subtracting 0.01% of value for each \$1,000,000 or major fraction thereof in excess of \$15,000,000 but less than \$30,000,000 of equalized assessed valuation from the rate of 0.45% of value.

(d) In townships having an equalized assessed valuation of less than \$15,000,000, taxes may be extended at a rate not exceeding 0.45% of value, as equalized or assessed by the Department of Revenue, of all taxable property in the township.

(e) (1) In townships having an equalized assessed valuation

of less than \$10,000,000, taxes may be extended at a rate of not more than 0.45% of value, or not more than 0.65% of value if approved by voters in the township in a referendum on the limit increase, as equalized or assessed by the Department of Revenue, of all taxable property in the township.

(2) On the petition of at least 10% of the registered voters residing in the township to the township clerk, the clerk shall order a referendum on the proposition to increase the extension limitation as provided in the petition. The township clerk shall certify the proposition to the proper election officials, who shall submit the proposition to the township voters at the next election in accordance with the general election law. The proposition shall be in substantially the following form:

Shall the present maximum tax extension limit of (insert present maximum tax extension limit) of the value, as equalized or assessed by the Department of Revenue, of the taxable real property in (name of township) be increased to a maximum tax extension limit of (insert proposed maximum tax extension limit) of the value, as equalized or assessed by the Department of Revenue, of the taxable real property in (name of township)?

The votes shall be recorded as "Yes" or "No".

(3) If a majority of all ballots cast on the proposition is in favor of the increase, the county clerk shall certify the results of the election to the township clerk.

(f) Any township having exceeded an equalized assessed valuation of \$15,000,000 before September 17, 1983, may tax at the rate authorized to be extended under this Section if approved by the township voters at the annual township meeting. If approval is not obtained, the tax may not be extended at a rate of more than 0.25% of the value, as equalized and assessed by the Department of Revenue, of all taxable property in the township.

(g) Any township having assumed the rights, powers, duties, assets, property, liabilities, obligations, and responsibilities of a road district abolished under the provisions of Section 6-133 of the Illinois Highway Code may tax at a rate determined by adding the rate authorized to be extended under this Section to the last rate authorized to be extended for road purposes under Section 6-501 of the Illinois Highway Code.

(Source: P.A. 85-1178; 88-62.)

Section 15. The Illinois Highway Code is amended by adding Section 6-133 as follows:

(605 ILCS 5/6-133 new)

Sec. 6-133. Abolishing a road district in Cook County. By resolution, the board of trustees of any township located in Cook County, Illinois, may submit a proposition to abolish the road district of that township to the electors of that township

highway commissioner as provided in the Illinois Highway Code.
The township board of trustees may enter into a contract with
the county, a municipality, or a private contractor to
administer the roads under its jurisdiction. The township board
of trustees shall assume all taxing authority of a township
road district abolished under this subsection. For purposes of
distribution of revenue, the township shall assume the powers,
duties, and obligations of the road district.