

HB0257



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB0257

Introduced 1/11/2017, by Rep. Anthony DeLuca

SYNOPSIS AS INTRODUCED:

35 ILCS 200/10-705 new

Amends the Property Tax Code. Contains provisions concerning valuation and taxation of keystone property. Provides that keystone property is property that has had a distinguished past and is a prominent property in the municipality but is not of historical significance or landmark status and meets certain criteria. Effective immediately.

LRB100 04714 HLH 14720 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

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

4 Section 5. The Property Tax Code is amended by adding
5 Section 10-705 as follows:

6 (35 ILCS 200/10-705 new)

7 Sec. 10-705. Keystone property.

8 (a) For the purposes of this Section:

9 "Base year" means the last tax year prior to the date
10 of the application during which the property was occupied
11 and assessed and taxes were collected.

12 "Tax year" means the calendar year for which assessed
13 value is determined as of January 1 of that year.

14 "Keystone property" means property that has had a
15 distinguished past and is a prominent property in the
16 municipality but is not of historical significance or
17 landmark status and meets the following criteria:

18 (1) the property contains an existing industrial
19 or medical structure consisting of more than 100,000
20 square feet;

21 (2) the property is located on a lot, parcel, or
22 tract of land that is more than 5 acres in area;

23 (3) the industrial or medical structure was

1 originally built more than 30 years prior to the date
2 of the application;

3 (4) in the case of industrial property, the
4 property has been vacant for a period of more than 5
5 consecutive years immediately prior to the date of the
6 application;

7 (5) in the case of medical property, the property
8 became vacant during the 5 years immediately prior to
9 the date of the application or is likely to become
10 vacant no later than December 31 of the calendar year
11 immediately following the year of the application;

12 (6) for the base year, the portion of the
13 property's property tax liability that is attributable
14 to the municipality is in the top 10% when compared
15 with the municipal property tax liability for all other
16 properties in the municipality for that tax year; and

17 (7) the property is not located in a tax increment
18 financing district as of the date of the application.

19 (b) Beginning on July 1, 2017 and ending on July 1, 2029,
20 owners of real property may apply with the municipality in
21 which the property is located to have the property designated
22 as keystone property. If the property meets the criteria for
23 keystone property set forth in subsection (a), then the
24 corporate authorities of the municipality may certify the
25 property as keystone property for the purposes of promoting
26 rehabilitation of vacant property and fostering job creation in

1 the fields of manufacturing, research and development, and
2 healthcare. The certification shall be transmitted to the chief
3 county assessment officer as soon as possible after the
4 property is certified.

5 (c) Beginning with the first tax year after the property is
6 certified as keystone property and continuing through the
7 twelfth tax year after the property is certified as keystone
8 property, for the purpose of taxation under this Code, the
9 property shall be valued at 33 1/3% of the fair cash value of
10 the land, without regard to buildings, structures,
11 improvements, and other permanent fixtures located on the
12 property. For the first 3 tax years after the property is
13 certified as keystone property, the aggregate tax liability for
14 the property shall be \$75,000. That aggregate tax liability,
15 once collected, shall be distributed to the taxing districts in
16 which the property is located according to each taxing
17 district's proportionate share of that aggregate liability.
18 Beginning with the fourth tax year after the property is
19 certified as keystone property and continuing through the
20 twelfth tax year after the property is certified as keystone
21 property, the property's tax liability for each taxing district
22 in which the property is located shall be increased over the
23 tax liability for the preceding year by the percentage
24 increase, if any, in the total equalized assessed value of all
25 property in the taxing district.

26 Section 99. Effective date. This Act takes effect upon

1 becoming law.