



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB2429

by Rep. Allen Skillicorn

SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-185

Amends the Property Tax Extension Limitation Law in the Property Tax Code. Provides that, if a taxing district's actual aggregate extension for any levy year is less than its maximum aggregate extension under that Law for that levy year, then, in any of the next 5 levy years, the district may provide that its maximum aggregate extension and limiting rate for any levy year occurring on or after the date the ordinance or resolution is passed shall be calculated as though the taxing district had used its entire maximum aggregate extension for the levy year in which its actual extension was reduced, subject to a public hearing. Effective immediately.

LRB100 10138 HLH 20315 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

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 changing
5 Section 18-185 as follows:

6 (35 ILCS 200/18-185)

7 (Text of Section before amendment by P.A. 99-521)

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

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

14 "Extension limitation" means (a) the lesser of 5% or the
15 percentage increase in the Consumer Price Index during the
16 12-month calendar year preceding the levy year or (b) the rate
17 of increase approved by voters under Section 18-205.

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

21 "Taxing district" has the same meaning provided in Section
22 1-150, except as otherwise provided in this Section. For the
23 1991 through 1994 levy years only, "taxing district" includes

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

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

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

1 special education joint agreement under Section 10-22.31 of the
2 School Code, for payment of the school district's share of the
3 amounts required to be contributed by the Special Education
4 District of Lake County to the Illinois Municipal Retirement
5 Fund under Article 7 of the Illinois Pension Code; the amount
6 of any extension under this item (k) shall be certified by the
7 school district to the county clerk; (l) made to fund expenses
8 of providing joint recreational programs for persons with
9 disabilities under Section 5-8 of the Park District Code or
10 Section 11-95-14 of the Illinois Municipal Code; (m) made for
11 temporary relocation loan repayment purposes pursuant to
12 Sections 2-3.77 and 17-2.2d of the School Code; (n) made for
13 payment of principal and interest on any bonds issued under the
14 authority of Section 17-2.2d of the School Code; (o) made for
15 contributions to a firefighter's pension fund created under
16 Article 4 of the Illinois Pension Code, to the extent of the
17 amount certified under item (5) of Section 4-134 of the
18 Illinois Pension Code; and (p) made for road purposes in the
19 first year after a township assumes the rights, powers, duties,
20 assets, property, liabilities, obligations, and
21 responsibilities of a road district abolished under the
22 provisions of Section 6-133 of the Illinois Highway Code.

23 "Aggregate extension" for the taxing districts to which
24 this Law did not apply before the 1995 levy year (except taxing
25 districts subject to this Law in accordance with Section
26 18-213) means the annual corporate extension for the taxing

1 district and those special purpose extensions that are made
2 annually for the taxing district, excluding special purpose
3 extensions: (a) made for the taxing district to pay interest or
4 principal on general obligation bonds that were approved by
5 referendum; (b) made for any taxing district to pay interest or
6 principal on general obligation bonds issued before March 1,
7 1995; (c) made for any taxing district to pay interest or
8 principal on bonds issued to refund or continue to refund those
9 bonds issued before March 1, 1995; (d) made for any taxing
10 district to pay interest or principal on bonds issued to refund
11 or continue to refund bonds issued after March 1, 1995 that
12 were approved by referendum; (e) made for any taxing district
13 to pay interest or principal on revenue bonds issued before
14 March 1, 1995 for payment of which a property tax levy or the
15 full faith and credit of the unit of local government is
16 pledged; however, a tax for the payment of interest or
17 principal on those bonds shall be made only after the governing
18 body of the unit of local government finds that all other
19 sources for payment are insufficient to make those payments;
20 (f) made for payments under a building commission lease when
21 the lease payments are for the retirement of bonds issued by
22 the commission before March 1, 1995 to pay for the building
23 project; (g) made for payments due under installment contracts
24 entered into before March 1, 1995; (h) made for payments of
25 principal and interest on bonds issued under the Metropolitan
26 Water Reclamation District Act to finance construction

1 projects initiated before October 1, 1991; (h-4) made for
2 stormwater management purposes by the Metropolitan Water
3 Reclamation District of Greater Chicago under Section 12 of the
4 Metropolitan Water Reclamation District Act; (i) made for
5 payments of principal and interest on limited bonds, as defined
6 in Section 3 of the Local Government Debt Reform Act, in an
7 amount not to exceed the debt service extension base less the
8 amount in items (b), (c), and (e) of this definition for
9 non-referendum obligations, except obligations initially
10 issued pursuant to referendum and bonds described in subsection
11 (h) of this definition; (j) made for payments of principal and
12 interest on bonds issued under Section 15 of the Local
13 Government Debt Reform Act; (k) made for payments of principal
14 and interest on bonds authorized by Public Act 88-503 and
15 issued under Section 20a of the Chicago Park District Act for
16 aquarium or museum projects; (l) made for payments of principal
17 and interest on bonds authorized by Public Act 87-1191 or
18 93-601 and (i) issued pursuant to Section 21.2 of the Cook
19 County Forest Preserve District Act, (ii) issued under Section
20 42 of the Cook County Forest Preserve District Act for
21 zoological park projects, or (iii) issued under Section 44.1 of
22 the Cook County Forest Preserve District Act for botanical
23 gardens projects; (m) made pursuant to Section 34-53.5 of the
24 School Code, whether levied annually or not; (n) made to fund
25 expenses of providing joint recreational programs for persons
26 with disabilities under Section 5-8 of the Park District Code

1 or Section 11-95-14 of the Illinois Municipal Code; (o) made by
2 the Chicago Park District for recreational programs for persons
3 with disabilities under subsection (c) of Section 7.06 of the
4 Chicago Park District Act; (p) made for contributions to a
5 firefighter's pension fund created under Article 4 of the
6 Illinois Pension Code, to the extent of the amount certified
7 under item (5) of Section 4-134 of the Illinois Pension Code;
8 and (q) made by Ford Heights School District 169 under Section
9 17-9.02 of the School Code.

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

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

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

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

1 interest or principal on general obligation bonds issued before
2 the effective date of this amendatory Act of 1997; (c) made for
3 any taxing district to pay interest or principal on bonds
4 issued to refund or continue to refund those bonds issued
5 before the effective date of this amendatory Act of 1997; (d)
6 made for any taxing district to pay interest or principal on
7 bonds issued to refund or continue to refund bonds issued after
8 the effective date of this amendatory Act of 1997 if the bonds
9 were approved by referendum after the effective date of this
10 amendatory Act of 1997; (e) made for any taxing district to pay
11 interest or principal on revenue bonds issued before the
12 effective date of this amendatory Act of 1997 for payment of
13 which a property tax levy or the full faith and credit of the
14 unit of local government is pledged; however, a tax for the
15 payment of interest or principal on those bonds shall be made
16 only after the governing body of the unit of local government
17 finds that all other sources for payment are insufficient to
18 make those payments; (f) made for payments under a building
19 commission lease when the lease payments are for the retirement
20 of bonds issued by the commission before the effective date of
21 this amendatory Act of 1997 to pay for the building project;
22 (g) made for payments due under installment contracts entered
23 into before the effective date of this amendatory Act of 1997;
24 (h) made for payments of principal and interest on limited
25 bonds, as defined in Section 3 of the Local Government Debt
26 Reform Act, in an amount not to exceed the debt service

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

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

1 of Section 18-213 for the 1996 levy year, constituting an
2 extension for payment of principal and interest on bonds issued
3 by the taxing district without referendum, but not including
4 excluded non-referendum bonds. For park districts (i) that were
5 first subject to this Law in 1991 or 1995 and (ii) whose
6 extension for the 1994 levy year for the payment of principal
7 and interest on bonds issued by the park district without
8 referendum (but not including excluded non-referendum bonds)
9 was less than 51% of the amount for the 1991 levy year
10 constituting an extension for payment of principal and interest
11 on bonds issued by the park district without referendum (but
12 not including excluded non-referendum bonds), "debt service
13 extension base" means an amount equal to that portion of the
14 extension for the 1991 levy year constituting an extension for
15 payment of principal and interest on bonds issued by the park
16 district without referendum (but not including excluded
17 non-referendum bonds). A debt service extension base
18 established or increased at any time pursuant to any provision
19 of this Law, except Section 18-212, shall be increased each
20 year commencing with the later of (i) the 2009 levy year or
21 (ii) the first levy year in which this Law becomes applicable
22 to the taxing district, by the lesser of 5% or the percentage
23 increase in the Consumer Price Index during the 12-month
24 calendar year preceding the levy year. The debt service
25 extension base may be established or increased as provided
26 under Section 18-212. "Excluded non-referendum bonds" means

1 (i) bonds authorized by Public Act 88-503 and issued under
2 Section 20a of the Chicago Park District Act for aquarium and
3 museum projects; (ii) bonds issued under Section 15 of the
4 Local Government Debt Reform Act; or (iii) refunding
5 obligations issued to refund or to continue to refund
6 obligations initially issued pursuant to referendum.

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

15 "Aggregate extension base" means the taxing district's
16 last preceding aggregate extension as adjusted under Sections
17 18-135, 18-215, and 18-230. An adjustment under Section 18-135
18 shall be made for the 2007 levy year and all subsequent levy
19 years whenever one or more counties within which a taxing
20 district is located (i) used estimated valuations or rates when
21 extending taxes in the taxing district for the last preceding
22 levy year that resulted in the over or under extension of
23 taxes, or (ii) increased or decreased the tax extension for the
24 last preceding levy year as required by Section 18-135(c).
25 Whenever an adjustment is required under Section 18-135, the
26 aggregate extension base of the taxing district shall be equal

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

8 Notwithstanding any other provision of law, for levy year
9 2012, the aggregate extension base for West Northfield School
10 District No. 31 in Cook County shall be \$12,654,592.

11 "Levy year" has the same meaning as "year" under Section
12 1-155.

13 "New property" means (i) the assessed value, after final
14 board of review or board of appeals action, of new improvements
15 or additions to existing improvements on any parcel of real
16 property that increase the assessed value of that real property
17 during the levy year multiplied by the equalization factor
18 issued by the Department under Section 17-30, (ii) the assessed
19 value, after final board of review or board of appeals action,
20 of real property not exempt from real estate taxation, which
21 real property was exempt from real estate taxation for any
22 portion of the immediately preceding levy year, multiplied by
23 the equalization factor issued by the Department under Section
24 17-30, including the assessed value, upon final stabilization
25 of occupancy after new construction is complete, of any real
26 property located within the boundaries of an otherwise or

1 previously exempt military reservation that is intended for
2 residential use and owned by or leased to a private corporation
3 or other entity, (iii) in counties that classify in accordance
4 with Section 4 of Article IX of the Illinois Constitution, an
5 incentive property's additional assessed value resulting from
6 a scheduled increase in the level of assessment as applied to
7 the first year final board of review market value, and (iv) any
8 increase in assessed value due to oil or gas production from an
9 oil or gas well required to be permitted under the Hydraulic
10 Fracturing Regulatory Act that was not produced in or accounted
11 for during the previous levy year. In addition, the county
12 clerk in a county containing a population of 3,000,000 or more
13 shall include in the 1997 recovered tax increment value for any
14 school district, any recovered tax increment value that was
15 applicable to the 1995 tax year calculations.

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

20 "Recovered tax increment value" means, except as otherwise
21 provided in this paragraph, the amount of the current year's
22 equalized assessed value, in the first year after a
23 municipality terminates the designation of an area as a
24 redevelopment project area previously established under the
25 Tax Increment Allocation Development Act in the Illinois
26 Municipal Code, previously established under the Industrial

1 Jobs Recovery Law in the Illinois Municipal Code, previously
2 established under the Economic Development Project Area Tax
3 Increment Act of 1995, or previously established under the
4 Economic Development Area Tax Increment Allocation Act, of each
5 taxable lot, block, tract, or parcel of real property in the
6 redevelopment project area over and above the initial equalized
7 assessed value of each property in the redevelopment project
8 area. For the taxes which are extended for the 1997 levy year,
9 the recovered tax increment value for a non-home rule taxing
10 district that first became subject to this Law for the 1995
11 levy year because a majority of its 1994 equalized assessed
12 value was in an affected county or counties shall be increased
13 if a municipality terminated the designation of an area in 1993
14 as a redevelopment project area previously established under
15 the Tax Increment Allocation Development Act in the Illinois
16 Municipal Code, previously established under the Industrial
17 Jobs Recovery Law in the Illinois Municipal Code, or previously
18 established under the Economic Development Area Tax Increment
19 Allocation Act, by an amount equal to the 1994 equalized
20 assessed value of each taxable lot, block, tract, or parcel of
21 real property in the redevelopment project area over and above
22 the initial equalized assessed value of each property in the
23 redevelopment project area. In the first year after a
24 municipality removes a taxable lot, block, tract, or parcel of
25 real property from a redevelopment project area established
26 under the Tax Increment Allocation Development Act in the

1 Illinois Municipal Code, the Industrial Jobs Recovery Law in
2 the Illinois Municipal Code, or the Economic Development Area
3 Tax Increment Allocation Act, "recovered tax increment value"
4 means the amount of the current year's equalized assessed value
5 of each taxable lot, block, tract, or parcel of real property
6 removed from the redevelopment project area over and above the
7 initial equalized assessed value of that real property before
8 removal from the redevelopment project area.

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

1 the limiting rate shall be equal to the rate set forth in the
2 proposition approved by the voters for each of the years
3 specified in the proposition, after which the limiting rate of
4 the taxing district shall be calculated as otherwise provided.
5 In the case of a taxing district that obtained referendum
6 approval for an increased limiting rate on March 20, 2012, the
7 limiting rate for tax year 2012 shall be the rate that
8 generates the approximate total amount of taxes extendable for
9 that tax year, as set forth in the proposition approved by the
10 voters; this rate shall be the final rate applied by the county
11 clerk for the aggregate of all capped funds of the district for
12 tax year 2012.

13 Notwithstanding any other provision of law, if a taxing
14 district's actual aggregate extension for any levy year in
15 which it is subject to this Law is less than its maximum
16 aggregate extension under this Law for that levy year
17 (calculated by multiplying (i) the district's last preceding
18 aggregate extension base by (ii) an amount equal to one plus
19 the extension limitation defined in this Section), then, in any
20 of the next 5 levy years, the district may, by ordinance or
21 resolution, provide that its maximum aggregate extension and
22 limiting rate for any levy year occurring on or after the date
23 the ordinance or resolution is passed shall be calculated as
24 though the taxing district had used its entire maximum
25 aggregate extension for the levy year in which its actual
26 extension was reduced. Prior to passing an ordinance or

1 resolution under this paragraph, the taxing district shall hold
2 a public hearing as provided in the Truth in Taxation Law under
3 Division 2 of Article 18 of this Code.

4 (Source: P.A. 98-6, eff. 3-29-13; 98-23, eff. 6-17-13; 99-143,
5 eff. 7-27-15.)

6 (Text of Section after amendment by P.A. 99-521)

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

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

13 "Extension limitation" means (a) the lesser of 5% or the
14 percentage increase in the Consumer Price Index during the
15 12-month calendar year preceding the levy year or (b) the rate
16 of increase approved by voters under Section 18-205.

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

20 "Taxing district" has the same meaning provided in Section
21 1-150, except as otherwise provided in this Section. For the
22 1991 through 1994 levy years only, "taxing district" includes
23 only each non-home rule taxing district having the majority of
24 its 1990 equalized assessed value within any county or counties
25 contiguous to a county with 3,000,000 or more inhabitants.

1 Beginning with the 1995 levy year, "taxing district" includes
2 only each non-home rule taxing district subject to this Law
3 before the 1995 levy year and each non-home rule taxing
4 district not subject to this Law before the 1995 levy year
5 having the majority of its 1994 equalized assessed value in an
6 affected county or counties. Beginning with the levy year in
7 which this Law becomes applicable to a taxing district as
8 provided in Section 18-213, "taxing district" also includes
9 those taxing districts made subject to this Law as provided in
10 Section 18-213.

11 "Aggregate extension" for taxing districts to which this
12 Law applied before the 1995 levy year means the annual
13 corporate extension for the taxing district and those special
14 purpose extensions that are made annually for the taxing
15 district, excluding special purpose extensions: (a) made for
16 the taxing district to pay interest or principal on general
17 obligation bonds that were approved by referendum; (b) made for
18 any taxing district to pay interest or principal on general
19 obligation bonds issued before October 1, 1991; (c) made for
20 any taxing district to pay interest or principal on bonds
21 issued to refund or continue to refund those bonds issued
22 before October 1, 1991; (d) made for any taxing district to pay
23 interest or principal on bonds issued to refund or continue to
24 refund bonds issued after October 1, 1991 that were approved by
25 referendum; (e) made for any taxing district to pay interest or
26 principal on revenue bonds issued before October 1, 1991 for

1 payment of which a property tax levy or the full faith and
2 credit of the unit of local government is pledged; however, a
3 tax for the payment of interest or principal on those bonds
4 shall be made only after the governing body of the unit of
5 local government finds that all other sources for payment are
6 insufficient to make those payments; (f) made for payments
7 under a building commission lease when the lease payments are
8 for the retirement of bonds issued by the commission before
9 October 1, 1991, to pay for the building project; (g) made for
10 payments due under installment contracts entered into before
11 October 1, 1991; (h) made for payments of principal and
12 interest on bonds issued under the Metropolitan Water
13 Reclamation District Act to finance construction projects
14 initiated before October 1, 1991; (i) made for payments of
15 principal and interest on limited bonds, as defined in Section
16 3 of the Local Government Debt Reform Act, in an amount not to
17 exceed the debt service extension base less the amount in items
18 (b), (c), (e), and (h) of this definition for non-referendum
19 obligations, except obligations initially issued pursuant to
20 referendum; (j) made for payments of principal and interest on
21 bonds issued under Section 15 of the Local Government Debt
22 Reform Act; (k) made by a school district that participates in
23 the Special Education District of Lake County, created by
24 special education joint agreement under Section 10-22.31 of the
25 School Code, for payment of the school district's share of the
26 amounts required to be contributed by the Special Education

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

20 "Aggregate extension" for the taxing districts to which
21 this Law did not apply before the 1995 levy year (except taxing
22 districts subject to this Law in accordance with Section
23 18-213) means the annual corporate extension for the taxing
24 district and those special purpose extensions that are made
25 annually for the taxing district, excluding special purpose
26 extensions: (a) made for the taxing district to pay interest or

1 principal on general obligation bonds that were approved by
2 referendum; (b) made for any taxing district to pay interest or
3 principal on general obligation bonds issued before March 1,
4 1995; (c) made for any taxing district to pay interest or
5 principal on bonds issued to refund or continue to refund those
6 bonds issued before March 1, 1995; (d) made for any taxing
7 district to pay interest or principal on bonds issued to refund
8 or continue to refund bonds issued after March 1, 1995 that
9 were approved by referendum; (e) made for any taxing district
10 to pay interest or principal on revenue bonds issued before
11 March 1, 1995 for payment of which a property tax levy or the
12 full faith and credit of the unit of local government is
13 pledged; however, a tax for the payment of interest or
14 principal on those bonds shall be made only after the governing
15 body of the unit of local government finds that all other
16 sources for payment are insufficient to make those payments;
17 (f) made for payments under a building commission lease when
18 the lease payments are for the retirement of bonds issued by
19 the commission before March 1, 1995 to pay for the building
20 project; (g) made for payments due under installment contracts
21 entered into before March 1, 1995; (h) made for payments of
22 principal and interest on bonds issued under the Metropolitan
23 Water Reclamation District Act to finance construction
24 projects initiated before October 1, 1991; (h-4) made for
25 stormwater management purposes by the Metropolitan Water
26 Reclamation District of Greater Chicago under Section 12 of the

1 Metropolitan Water Reclamation District Act; (i) made for
2 payments of principal and interest on limited bonds, as defined
3 in Section 3 of the Local Government Debt Reform Act, in an
4 amount not to exceed the debt service extension base less the
5 amount in items (b), (c), and (e) of this definition for
6 non-referendum obligations, except obligations initially
7 issued pursuant to referendum and bonds described in subsection
8 (h) of this definition; (j) made for payments of principal and
9 interest on bonds issued under Section 15 of the Local
10 Government Debt Reform Act; (k) made for payments of principal
11 and interest on bonds authorized by Public Act 88-503 and
12 issued under Section 20a of the Chicago Park District Act for
13 aquarium or museum projects; (l) made for payments of principal
14 and interest on bonds authorized by Public Act 87-1191 or
15 93-601 and (i) issued pursuant to Section 21.2 of the Cook
16 County Forest Preserve District Act, (ii) issued under Section
17 42 of the Cook County Forest Preserve District Act for
18 zoological park projects, or (iii) issued under Section 44.1 of
19 the Cook County Forest Preserve District Act for botanical
20 gardens projects; (m) made pursuant to Section 34-53.5 of the
21 School Code, whether levied annually or not; (n) made to fund
22 expenses of providing joint recreational programs for persons
23 with disabilities under Section 5-8 of the Park District Code
24 or Section 11-95-14 of the Illinois Municipal Code; (o) made by
25 the Chicago Park District for recreational programs for persons
26 with disabilities under subsection (c) of Section 7.06 of the

1 Chicago Park District Act; (p) made for contributions to a
2 firefighter's pension fund created under Article 4 of the
3 Illinois Pension Code, to the extent of the amount certified
4 under item (5) of Section 4-134 of the Illinois Pension Code;
5 (q) made by Ford Heights School District 169 under Section
6 17-9.02 of the School Code; and (r) made for the purpose of
7 making employer contributions to the Public School Teachers'
8 Pension and Retirement Fund of Chicago under Section 34-53 of
9 the School Code.

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

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

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

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

1 interest or principal on general obligation bonds issued before
2 the effective date of this amendatory Act of 1997; (c) made for
3 any taxing district to pay interest or principal on bonds
4 issued to refund or continue to refund those bonds issued
5 before the effective date of this amendatory Act of 1997; (d)
6 made for any taxing district to pay interest or principal on
7 bonds issued to refund or continue to refund bonds issued after
8 the effective date of this amendatory Act of 1997 if the bonds
9 were approved by referendum after the effective date of this
10 amendatory Act of 1997; (e) made for any taxing district to pay
11 interest or principal on revenue bonds issued before the
12 effective date of this amendatory Act of 1997 for payment of
13 which a property tax levy or the full faith and credit of the
14 unit of local government is pledged; however, a tax for the
15 payment of interest or principal on those bonds shall be made
16 only after the governing body of the unit of local government
17 finds that all other sources for payment are insufficient to
18 make those payments; (f) made for payments under a building
19 commission lease when the lease payments are for the retirement
20 of bonds issued by the commission before the effective date of
21 this amendatory Act of 1997 to pay for the building project;
22 (g) made for payments due under installment contracts entered
23 into before the effective date of this amendatory Act of 1997;
24 (h) made for payments of principal and interest on limited
25 bonds, as defined in Section 3 of the Local Government Debt
26 Reform Act, in an amount not to exceed the debt service

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

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

1 of Section 18-213 for the 1996 levy year, constituting an
2 extension for payment of principal and interest on bonds issued
3 by the taxing district without referendum, but not including
4 excluded non-referendum bonds. For park districts (i) that were
5 first subject to this Law in 1991 or 1995 and (ii) whose
6 extension for the 1994 levy year for the payment of principal
7 and interest on bonds issued by the park district without
8 referendum (but not including excluded non-referendum bonds)
9 was less than 51% of the amount for the 1991 levy year
10 constituting an extension for payment of principal and interest
11 on bonds issued by the park district without referendum (but
12 not including excluded non-referendum bonds), "debt service
13 extension base" means an amount equal to that portion of the
14 extension for the 1991 levy year constituting an extension for
15 payment of principal and interest on bonds issued by the park
16 district without referendum (but not including excluded
17 non-referendum bonds). A debt service extension base
18 established or increased at any time pursuant to any provision
19 of this Law, except Section 18-212, shall be increased each
20 year commencing with the later of (i) the 2009 levy year or
21 (ii) the first levy year in which this Law becomes applicable
22 to the taxing district, by the lesser of 5% or the percentage
23 increase in the Consumer Price Index during the 12-month
24 calendar year preceding the levy year. The debt service
25 extension base may be established or increased as provided
26 under Section 18-212. "Excluded non-referendum bonds" means

1 (i) bonds authorized by Public Act 88-503 and issued under
2 Section 20a of the Chicago Park District Act for aquarium and
3 museum projects; (ii) bonds issued under Section 15 of the
4 Local Government Debt Reform Act; or (iii) refunding
5 obligations issued to refund or to continue to refund
6 obligations initially issued pursuant to referendum.

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

15 "Aggregate extension base" means the taxing district's
16 last preceding aggregate extension as adjusted under Sections
17 18-135, 18-215, and 18-230. An adjustment under Section 18-135
18 shall be made for the 2007 levy year and all subsequent levy
19 years whenever one or more counties within which a taxing
20 district is located (i) used estimated valuations or rates when
21 extending taxes in the taxing district for the last preceding
22 levy year that resulted in the over or under extension of
23 taxes, or (ii) increased or decreased the tax extension for the
24 last preceding levy year as required by Section 18-135(c).
25 Whenever an adjustment is required under Section 18-135, the
26 aggregate extension base of the taxing district shall be equal

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

8 Notwithstanding any other provision of law, for levy year
9 2012, the aggregate extension base for West Northfield School
10 District No. 31 in Cook County shall be \$12,654,592.

11 "Levy year" has the same meaning as "year" under Section
12 1-155.

13 "New property" means (i) the assessed value, after final
14 board of review or board of appeals action, of new improvements
15 or additions to existing improvements on any parcel of real
16 property that increase the assessed value of that real property
17 during the levy year multiplied by the equalization factor
18 issued by the Department under Section 17-30, (ii) the assessed
19 value, after final board of review or board of appeals action,
20 of real property not exempt from real estate taxation, which
21 real property was exempt from real estate taxation for any
22 portion of the immediately preceding levy year, multiplied by
23 the equalization factor issued by the Department under Section
24 17-30, including the assessed value, upon final stabilization
25 of occupancy after new construction is complete, of any real
26 property located within the boundaries of an otherwise or

1 previously exempt military reservation that is intended for
2 residential use and owned by or leased to a private corporation
3 or other entity, (iii) in counties that classify in accordance
4 with Section 4 of Article IX of the Illinois Constitution, an
5 incentive property's additional assessed value resulting from
6 a scheduled increase in the level of assessment as applied to
7 the first year final board of review market value, and (iv) any
8 increase in assessed value due to oil or gas production from an
9 oil or gas well required to be permitted under the Hydraulic
10 Fracturing Regulatory Act that was not produced in or accounted
11 for during the previous levy year. In addition, the county
12 clerk in a county containing a population of 3,000,000 or more
13 shall include in the 1997 recovered tax increment value for any
14 school district, any recovered tax increment value that was
15 applicable to the 1995 tax year calculations.

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

20 "Recovered tax increment value" means, except as otherwise
21 provided in this paragraph, the amount of the current year's
22 equalized assessed value, in the first year after a
23 municipality terminates the designation of an area as a
24 redevelopment project area previously established under the
25 Tax Increment Allocation Development Act in the Illinois
26 Municipal Code, previously established under the Industrial

1 Jobs Recovery Law in the Illinois Municipal Code, previously
2 established under the Economic Development Project Area Tax
3 Increment Act of 1995, or previously established under the
4 Economic Development Area Tax Increment Allocation Act, of each
5 taxable lot, block, tract, or parcel of real property in the
6 redevelopment project area over and above the initial equalized
7 assessed value of each property in the redevelopment project
8 area. For the taxes which are extended for the 1997 levy year,
9 the recovered tax increment value for a non-home rule taxing
10 district that first became subject to this Law for the 1995
11 levy year because a majority of its 1994 equalized assessed
12 value was in an affected county or counties shall be increased
13 if a municipality terminated the designation of an area in 1993
14 as a redevelopment project area previously established under
15 the Tax Increment Allocation Development Act in the Illinois
16 Municipal Code, previously established under the Industrial
17 Jobs Recovery Law in the Illinois Municipal Code, or previously
18 established under the Economic Development Area Tax Increment
19 Allocation Act, by an amount equal to the 1994 equalized
20 assessed value of each taxable lot, block, tract, or parcel of
21 real property in the redevelopment project area over and above
22 the initial equalized assessed value of each property in the
23 redevelopment project area. In the first year after a
24 municipality removes a taxable lot, block, tract, or parcel of
25 real property from a redevelopment project area established
26 under the Tax Increment Allocation Development Act in the

1 Illinois Municipal Code, the Industrial Jobs Recovery Law in
2 the Illinois Municipal Code, or the Economic Development Area
3 Tax Increment Allocation Act, "recovered tax increment value"
4 means the amount of the current year's equalized assessed value
5 of each taxable lot, block, tract, or parcel of real property
6 removed from the redevelopment project area over and above the
7 initial equalized assessed value of that real property before
8 removal from the redevelopment project area.

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

1 the limiting rate shall be equal to the rate set forth in the
2 proposition approved by the voters for each of the years
3 specified in the proposition, after which the limiting rate of
4 the taxing district shall be calculated as otherwise provided.
5 In the case of a taxing district that obtained referendum
6 approval for an increased limiting rate on March 20, 2012, the
7 limiting rate for tax year 2012 shall be the rate that
8 generates the approximate total amount of taxes extendable for
9 that tax year, as set forth in the proposition approved by the
10 voters; this rate shall be the final rate applied by the county
11 clerk for the aggregate of all capped funds of the district for
12 tax year 2012.

13 Notwithstanding any other provision of law, if a taxing
14 district's actual aggregate extension for any levy year in
15 which it is subject to this Law is less than its maximum
16 aggregate extension under this Law for that levy year
17 (calculated by multiplying (i) the district's last preceding
18 aggregate extension base by (ii) an amount equal to one plus
19 the extension limitation defined in this Section), then, in any
20 of the next 5 levy years, the district may, by ordinance or
21 resolution, provide that its maximum aggregate extension and
22 limiting rate for any levy year occurring on or after the date
23 the ordinance or resolution is passed shall be calculated as
24 though the taxing district had used its entire maximum
25 aggregate extension for the levy year in which its actual
26 extension was reduced. Prior to passing an ordinance or

1 resolution under this paragraph, the taxing district shall hold
2 a public hearing as provided in the Truth in Taxation Law under
3 Division 2 of Article 18 of this Code.

4 (Source: P.A. 98-6, eff. 3-29-13; 98-23, eff. 6-17-13; 99-143,
5 eff. 7-27-15; 99-521, eff. 6-1-17.)

6 Section 95. No acceleration or delay. Where this Act makes
7 changes in a statute that is represented in this Act by text
8 that is not yet or no longer in effect (for example, a Section
9 represented by multiple versions), the use of that text does
10 not accelerate or delay the taking effect of (i) the changes
11 made by this Act or (ii) provisions derived from any other
12 Public Act.

13 Section 99. Effective date. This Act takes effect upon
14 becoming law.