



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB3757

by Rep. Sam Yingling

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-170

35 ILCS 200/18-184.15 new

320 ILCS 30/2

from Ch. 67 1/2, par. 452

Amends the Property Tax Code. Provides that, for taxable year 2017 and thereafter, the maximum amount of the senior citizens homestead exemption is \$7,500 (currently, \$5,000). Creates an abatement against property taxes levied by a township for property that (i) is included in a neighborhood association that maintains the roads or sidewalks serving the property or (ii) is located in a municipality that maintains the roads or sidewalks serving the property. Amends the Senior Citizens Real Estate Tax Deferral Act. Provides that the income limitation under the Act is \$75,000 for tax year 2017 and thereafter.

LRB100 06135 HLH 16168 b

FISCAL 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 15-170 and by adding Section 18-184.15 as follows:

6 (35 ILCS 200/15-170)

7 Sec. 15-170. Senior Citizens Homestead Exemption. An
8 annual homestead exemption limited, except as described here
9 with relation to cooperatives or life care facilities, to a
10 maximum reduction set forth below from the property's value, as
11 equalized or assessed by the Department, is granted for
12 property that is occupied as a residence by a person 65 years
13 of age or older who is liable for paying real estate taxes on
14 the property and is an owner of record of the property or has a
15 legal or equitable interest therein as evidenced by a written
16 instrument, except for a leasehold interest, other than a
17 leasehold interest of land on which a single family residence
18 is located, which is occupied as a residence by a person 65
19 years or older who has an ownership interest therein, legal,
20 equitable or as a lessee, and on which he or she is liable for
21 the payment of property taxes. Before taxable year 2004, the
22 maximum reduction shall be \$2,500 in counties with 3,000,000 or
23 more inhabitants and \$2,000 in all other counties. For taxable

1 years 2004 through 2005, the maximum reduction shall be \$3,000
2 in all counties. For taxable years 2006 and 2007, the maximum
3 reduction shall be \$3,500. For taxable years 2008 through 2011,
4 the maximum reduction is \$4,000 in all counties. For taxable
5 year 2012, the maximum reduction is \$5,000 in counties with
6 3,000,000 or more inhabitants and \$4,000 in all other counties.
7 For taxable years 2013 through 2016 ~~and thereafter~~, the maximum
8 reduction is \$5,000 in all counties. For taxable years 2017 and
9 thereafter, the maximum reduction is \$7,500 in all counties.

10 For land improved with an apartment building owned and
11 operated as a cooperative, the maximum reduction from the value
12 of the property, as equalized by the Department, shall be
13 multiplied by the number of apartments or units occupied by a
14 person 65 years of age or older who is liable, by contract with
15 the owner or owners of record, for paying property taxes on the
16 property and is an owner of record of a legal or equitable
17 interest in the cooperative apartment building, other than a
18 leasehold interest. For land improved with a life care
19 facility, the maximum reduction from the value of the property,
20 as equalized by the Department, shall be multiplied by the
21 number of apartments or units occupied by persons 65 years of
22 age or older, irrespective of any legal, equitable, or
23 leasehold interest in the facility, who are liable, under a
24 contract with the owner or owners of record of the facility,
25 for paying property taxes on the property. In a cooperative or
26 a life care facility where a homestead exemption has been

1 granted, the cooperative association or the management firm of
2 the cooperative or facility shall credit the savings resulting
3 from that exemption only to the apportioned tax liability of
4 the owner or resident who qualified for the exemption. Any
5 person who willfully refuses to so credit the savings shall be
6 guilty of a Class B misdemeanor. Under this Section and
7 Sections 15-175, 15-176, and 15-177, "life care facility" means
8 a facility, as defined in Section 2 of the Life Care Facilities
9 Act, with which the applicant for the homestead exemption has a
10 life care contract as defined in that Act.

11 When a homestead exemption has been granted under this
12 Section and the person qualifying subsequently becomes a
13 resident of a facility licensed under the Assisted Living and
14 Shared Housing Act, the Nursing Home Care Act, the Specialized
15 Mental Health Rehabilitation Act of 2013, the ID/DD Community
16 Care Act, or the MC/DD Act, the exemption shall continue so
17 long as the residence continues to be occupied by the
18 qualifying person's spouse if the spouse is 65 years of age or
19 older, or if the residence remains unoccupied but is still
20 owned by the person qualified for the homestead exemption.

21 A person who will be 65 years of age during the current
22 assessment year shall be eligible to apply for the homestead
23 exemption during that assessment year. Application shall be
24 made during the application period in effect for the county of
25 his residence.

26 Beginning with assessment year 2003, for taxes payable in

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

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

21 The chief county assessment officer of each county with
22 less than 3,000,000 inhabitants shall provide to each person
23 allowed a homestead exemption under this Section a form to
24 designate any other person to receive a duplicate of any notice
25 of delinquency in the payment of taxes assessed and levied
26 under this Code on the property of the person receiving the

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

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

20 In counties with 3,000,000 or more inhabitants, beginning
21 in taxable year 2010, each taxpayer who has been granted an
22 exemption under this Section must reapply on an annual basis.
23 The chief county assessment officer shall mail the application
24 to the taxpayer. In counties with less than 3,000,000
25 inhabitants, the county board may by resolution provide that if
26 a person has been granted a homestead exemption under this

1 Section, the person qualifying need not reapply for the
2 exemption.

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

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

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

20 (Source: P.A. 98-7, eff. 4-23-13; 98-104, eff. 7-22-13; 98-756,
21 eff. 7-16-14; 99-180, eff. 7-29-15.)

22 (35 ILCS 200/18-184.15 new)

23 Sec. 18-184.15. Road and sidewalk maintenance abatement.
24 Notwithstanding any other provision of law, beginning in levy
25 year 2017, the county clerk shall abate property taxes levied

1 by a township on property that (i) is included in a
2 neighborhood association that maintains the roads or sidewalks
3 serving the property or (ii) is located in a municipality that
4 maintains the roads or sidewalks serving the property. The
5 amount of the abatement shall be equal to the amount of
6 property taxes levied by the township on that property for the
7 purpose of maintaining roads or sidewalks.

8 Section 10. The Senior Citizens Real Estate Tax Deferral
9 Act is amended by changing Section 2 as follows:

10 (320 ILCS 30/2) (from Ch. 67 1/2, par. 452)

11 Sec. 2. Definitions. As used in this Act:

12 (a) "Taxpayer" means an individual whose household income
13 for the year is no greater than: (i) \$40,000 through tax year
14 2005; (ii) \$50,000 for tax years 2006 through 2011; ~~and~~ (iii)
15 \$55,000 for tax years year 2012 through 2016; and (iv) \$75,000
16 for tax year 2017 and thereafter.

17 (b) "Tax deferred property" means the property upon which
18 real estate taxes are deferred under this Act.

19 (c) "Homestead" means the land and buildings thereon,
20 including a condominium or a dwelling unit in a multidwelling
21 building that is owned and operated as a cooperative, occupied
22 by the taxpayer as his residence or which are temporarily
23 unoccupied by the taxpayer because such taxpayer is temporarily
24 residing, for not more than 1 year, in a licensed facility as

1 defined in Section 1-113 of the Nursing Home Care Act.

2 (d) "Real estate taxes" or "taxes" means the taxes on real
3 property for which the taxpayer would be liable under the
4 Property Tax Code, including special service area taxes, and
5 special assessments on benefited real property for which the
6 taxpayer would be liable to a unit of local government.

7 (e) "Department" means the Department of Revenue.

8 (f) "Qualifying property" means a homestead which (a) the
9 taxpayer or the taxpayer and his spouse own in fee simple or
10 are purchasing in fee simple under a recorded instrument of
11 sale, (b) is not income-producing property, (c) is not subject
12 to a lien for unpaid real estate taxes when a claim under this
13 Act is filed, and (d) is not held in trust, other than an
14 Illinois land trust with the taxpayer identified as the sole
15 beneficiary, if the taxpayer is filing for the program for the
16 first time effective as of the January 1, 2011 assessment year
17 or tax year 2012 and thereafter.

18 (g) "Equity interest" means the current assessed valuation
19 of the qualified property times the fraction necessary to
20 convert that figure to full market value minus any outstanding
21 debts or liens on that property. In the case of qualifying
22 property not having a separate assessed valuation, the
23 appraised value as determined by a qualified real estate
24 appraiser shall be used instead of the current assessed
25 valuation.

26 (h) "Household income" has the meaning ascribed to that

1 term in the Senior Citizens and Persons with Disabilities
2 Property Tax Relief Act.

3 (i) "Collector" means the county collector or, if the taxes
4 to be deferred are special assessments, an official designated
5 by a unit of local government to collect special assessments.

6 (Source: P.A. 99-143, eff. 7-27-15.)