



Sen. Neil Anderson

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1 AMENDMENT TO SENATE BILL 3093

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 3093, AS AMENDED,  
3 by replacing everything after the enacting clause with the  
4 following:

5 "Section 5. The Property Tax Code is amended by changing  
6 Section 15-175 as follows:

7 (35 ILCS 200/15-175)

8 Sec. 15-175. General homestead exemption.

9 (a) Except as provided in Sections 15-176 and 15-177,  
10 homestead property is entitled to an annual homestead exemption  
11 limited, except as described here with relation to cooperatives  
12 or life care facilities, to a reduction in the equalized  
13 assessed value of homestead property equal to the increase in  
14 equalized assessed value for the current assessment year above  
15 the equalized assessed value of the property for 1977, up to  
16 the maximum reduction set forth below. If however, the 1977

1 equalized assessed value upon which taxes were paid is  
2 subsequently determined by local assessing officials, the  
3 Property Tax Appeal Board, or a court to have been excessive,  
4 the equalized assessed value which should have been placed on  
5 the property for 1977 shall be used to determine the amount of  
6 the exemption.

7 (b) Except as provided in Section 15-176, the maximum  
8 reduction before taxable year 2004 shall be \$4,500 in counties  
9 with 3,000,000 or more inhabitants and \$3,500 in all other  
10 counties. Except as provided in Sections 15-176 and 15-177, for  
11 taxable years 2004 through 2007, the maximum reduction shall be  
12 \$5,000, for taxable year 2008, the maximum reduction is \$5,500,  
13 and, for taxable years 2009 through 2011, the maximum reduction  
14 is \$6,000 in all counties. For taxable years 2012 through 2016,  
15 the maximum reduction is \$7,000 in counties with 3,000,000 or  
16 more inhabitants and \$6,000 in all other counties. For taxable  
17 years 2017 and thereafter, the maximum reduction is \$10,000 in  
18 counties with 3,000,000 or more inhabitants and \$6,000 in all  
19 other counties. If a county has elected to subject itself to  
20 the provisions of Section 15-176 as provided in subsection (k)  
21 of that Section, then, for the first taxable year only after  
22 the provisions of Section 15-176 no longer apply, for owners  
23 who, for the taxable year, have not been granted a senior  
24 citizens assessment freeze homestead exemption under Section  
25 15-172 or a long-time occupant homestead exemption under  
26 Section 15-177, there shall be an additional exemption of

1 \$5,000 for owners with a household income of \$30,000 or less.

2 (c) In counties with fewer than 3,000,000 inhabitants, if,  
3 based on the most recent assessment, the equalized assessed  
4 value of the homestead property for the current assessment year  
5 is greater than the equalized assessed value of the property  
6 for 1977, the owner of the property shall automatically receive  
7 the exemption granted under this Section in an amount equal to  
8 the increase over the 1977 assessment up to the maximum  
9 reduction set forth in this Section.

10 (d) If in any assessment year beginning with the 2000  
11 assessment year, homestead property has a pro-rata valuation  
12 under Section 9-180 resulting in an increase in the assessed  
13 valuation, a reduction in equalized assessed valuation equal to  
14 the increase in equalized assessed value of the property for  
15 the year of the pro-rata valuation above the equalized assessed  
16 value of the property for 1977 shall be applied to the property  
17 on a proportionate basis for the period the property qualified  
18 as homestead property during the assessment year. The maximum  
19 proportionate homestead exemption shall not exceed the maximum  
20 homestead exemption allowed in the county under this Section  
21 divided by 365 and multiplied by the number of days the  
22 property qualified as homestead property.

23 (d-1) In counties with 3,000,000 or more inhabitants, where  
24 the chief county assessment officer provides a notice of  
25 discovery, if a property is not occupied by its owner as a  
26 principal residence as of January 1 of the current tax year,

1 then the property owner shall notify the chief county  
2 assessment officer of that fact on a form prescribed by the  
3 chief county assessment officer. That notice must be received  
4 by the chief county assessment officer on or before March 1 of  
5 the collection year. If mailed, the form shall be sent by  
6 certified mail, return receipt requested. If the form is  
7 provided in person, the chief county assessment officer shall  
8 provide a date stamped copy of the notice. Failure to provide  
9 timely notice pursuant to this subsection (d-1) shall result in  
10 the exemption being treated as an erroneous exemption. Upon  
11 timely receipt of the notice for the current tax year, no  
12 exemption shall be applied to the property for the current tax  
13 year. If the exemption is not removed upon timely receipt of  
14 the notice by the chief assessment officer, then the error is  
15 considered granted as a result of a clerical error or omission  
16 on the part of the chief county assessment officer as described  
17 in subsection (h) of Section 9-275, and the property owner  
18 shall not be liable for the payment of interest and penalties  
19 due to the erroneous exemption for the current tax year for  
20 which the notice was filed after the date that notice was  
21 timely received pursuant to this subsection. Notice provided  
22 under this subsection shall not constitute a defense or amnesty  
23 for prior year erroneous exemptions.

24 For the purposes of this subsection (d-1):

25 "Collection year" means the year in which the first and  
26 second installment of the current tax year is billed.

1 "Current tax year" means the year prior to the collection  
2 year.

3 (e) The chief county assessment officer may, when  
4 considering whether to grant a leasehold exemption under this  
5 Section, require the following conditions to be met:

6 (1) that a notarized application for the exemption,  
7 signed by both the owner and the lessee of the property,  
8 must be submitted each year during the application period  
9 in effect for the county in which the property is located;

10 (2) that a copy of the lease must be filed with the  
11 chief county assessment officer by the owner of the  
12 property at the time the notarized application is  
13 submitted;

14 (3) that the lease must expressly state that the lessee  
15 is liable for the payment of property taxes; and

16 (4) that the lease must include the following language  
17 in substantially the following form:

18 "Lessee shall be liable for the payment of real  
19 estate taxes with respect to the residence in  
20 accordance with the terms and conditions of Section  
21 15-175 of the Property Tax Code (35 ILCS 200/15-175).  
22 The permanent real estate index number for the premises  
23 is (insert number), and, according to the most recent  
24 property tax bill, the current amount of real estate  
25 taxes associated with the premises is (insert amount)  
26 per year. The parties agree that the monthly rent set

1           forth above shall be increased or decreased pro rata  
2           (effective January 1 of each calendar year) to reflect  
3           any increase or decrease in real estate taxes. Lessee  
4           shall be deemed to be satisfying Lessee's liability for  
5           the above mentioned real estate taxes with the monthly  
6           rent payments as set forth above (or increased or  
7           decreased as set forth herein).".

8           In addition, if there is a change in lessee, or if the  
9           lessee vacates the property, then the chief county assessment  
10          officer may require the owner of the property to notify the  
11          chief county assessment officer of that change.

12          This subsection (e) does not apply to leasehold interests  
13          in property owned by a municipality.

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

1 to the maximum reduction set forth above, multiplied by the  
2 number of apartments or units occupied by a person or persons  
3 who is liable, by contract with the owner or owners of record,  
4 for paying property taxes on the property and is an owner of  
5 record of a legal or equitable interest in the cooperative  
6 apartment building, other than a leasehold interest. For land  
7 improved with a life care facility, the maximum reduction from  
8 the value of the property, as equalized by the Department,  
9 shall be multiplied by the number of apartments or units  
10 occupied by a person or persons, irrespective of any legal,  
11 equitable, or leasehold interest in the facility, who are  
12 liable, under a life care contract with the owner or owners of  
13 record of the facility, for paying property taxes on the  
14 property. For purposes of this Section, the term "life care  
15 facility" has the meaning stated in Section 15-170.

16 "Household", as used in this Section, means the owner, the  
17 spouse of the owner, and all persons using the residence of the  
18 owner as their principal place of residence.

19 "Household income", as used in this Section, means the  
20 combined income of the members of a household for the calendar  
21 year preceding the taxable year.

22 "Income", as used in this Section, has the same meaning as  
23 provided in Section 3.07 of the Senior Citizens and Persons  
24 with Disabilities Property Tax Relief Act, except that "income"  
25 does not include veteran's benefits.

26 (g) In a cooperative or life care facility where a

1 homestead exemption has been granted, the cooperative  
2 association or the ~~its~~ management of the cooperative or life  
3 care facility firm shall credit the savings resulting from that  
4 exemption only to the apportioned tax liability of the owner or  
5 resident who qualified for the exemption. Any person who  
6 willfully refuses to so credit the savings shall be guilty of a  
7 Class B misdemeanor.

8 (h) Where married persons maintain and reside in separate  
9 residences qualifying as homestead property, each residence  
10 shall receive 50% of the total reduction in equalized assessed  
11 valuation provided by this Section.

12 (i) In all counties, the assessor or chief county  
13 assessment officer may determine the eligibility of  
14 residential property to receive the homestead exemption and the  
15 amount of the exemption by application, visual inspection,  
16 questionnaire or other reasonable methods. The determination  
17 shall be made in accordance with guidelines established by the  
18 Department, provided that the taxpayer applying for an  
19 additional general exemption under this Section shall submit to  
20 the chief county assessment officer an application with an  
21 affidavit of the applicant's total household income, age,  
22 marital status (and, if married, the name and address of the  
23 applicant's spouse, if known), and principal dwelling place of  
24 members of the household on January 1 of the taxable year. The  
25 Department shall issue guidelines establishing a method for  
26 verifying the accuracy of the affidavits filed by applicants



1 under this paragraph. The applications shall be clearly marked  
2 as applications for the Additional General Homestead  
3 Exemption.

4 (i-5) This subsection (i-5) applies to counties with  
5 3,000,000 or more inhabitants. In the event of a sale of  
6 homestead property, the homestead exemption shall remain in  
7 effect for the remainder of the assessment year of the sale.  
8 Upon receipt of a transfer declaration transmitted by the  
9 recorder pursuant to Section 31-30 of the Real Estate Transfer  
10 Tax Law for property receiving an exemption under this Section,  
11 the assessor shall mail a notice and forms to the new owner of  
12 the property providing information pertaining to the rules and  
13 applicable filing periods for applying or reapplying for  
14 homestead exemptions under this Code for which the property may  
15 be eligible. If the new owner fails to apply or reapply for a  
16 homestead exemption during the applicable filing period or the  
17 property no longer qualifies for an existing homestead  
18 exemption, the assessor shall cancel such exemption for any  
19 ensuing assessment year.

20 (j) In counties with fewer than 3,000,000 inhabitants, in  
21 the event of a sale of homestead property the homestead  
22 exemption shall remain in effect for the remainder of the  
23 assessment year of the sale. The assessor or chief county  
24 assessment officer may require the new owner of the property to  
25 apply for the homestead exemption for the following assessment  
26 year.

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

4           (l) The changes made to this Section by this amendatory Act  
5 of the 100th General Assembly are effective for the 2018 tax  
6 year and thereafter.

7           (Source: P.A. 99-143, eff. 7-27-15; 99-164, eff. 7-28-15;  
8 99-642, eff. 7-28-16; 99-851, eff. 8-19-16; 100-401, eff.  
9 8-25-17.)".