



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

HB2271

by Rep. Robert Martwick

#### SYNOPSIS AS INTRODUCED:

65 ILCS 5/11-74.4-9

from Ch. 24, par. 11-74.4-9

Amends the Tax Increment Allocation Redevelopment Act of the Illinois Municipal Code. Provides that if (1) three or more improved lots, blocks, tracts, or parcels of real property within a single redevelopment project area are purchased by a developer or a developer's parent company or wholly-owned subsidiary, or any combination thereof, within the 3 years prior to the date that the ordinance providing for the tax increment allocation was adopted by the municipality, and (2) an improvement on any of the lots, blocks, tracts, or parcels of real property is demolished or otherwise rendered uninhabitable, then the initial equalized assessed value for the lot, block, tract or parcel of real property shall be the equalized assessed value of the lot, block, tract, or parcel of real property on the date it was purchased by the developer, the developer's parent company, or the developer's wholly-owned subsidiary or purchased by any combination thereof. Limits the provisions to ordinances adopted after the effective date of the amendatory Act.

LRB101 08604 AWJ 53683 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning local government.

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

4 Section 5. The Illinois Municipal Code is amended by  
5 changing Section 11-74.4-9 as follows:

6 (65 ILCS 5/11-74.4-9) (from Ch. 24, par. 11-74.4-9)

7 Sec. 11-74.4-9. Equalized assessed value of property.

8 (a) Except as provided in subsection (a-5), if ~~if~~ a  
9 municipality by ordinance provides for tax increment  
10 allocation financing pursuant to Section 11-74.4-8, the county  
11 clerk immediately thereafter shall determine (1) the most  
12 recently ascertained equalized assessed value of each lot,  
13 block, tract or parcel of real property within such  
14 redevelopment project area from which shall be deducted the  
15 homestead exemptions under Article 15 of the Property Tax Code,  
16 which value shall be the "initial equalized assessed value" of  
17 each such piece of property, and (2) the total equalized  
18 assessed value of all taxable real property within such  
19 redevelopment project area by adding together the most recently  
20 ascertained equalized assessed value of each taxable lot,  
21 block, tract, or parcel of real property within such project  
22 area, from which shall be deducted the homestead exemptions  
23 provided by Sections 15-170, 15-175, and 15-176 of the Property

1 Tax Code, and shall certify such amount as the "total initial  
2 equalized assessed value" of the taxable real property within  
3 such project area.

4 (a-5) If (1) three or more improved lots, blocks, tracts,  
5 or parcels of real property within a single redevelopment  
6 project area are purchased by a developer or a developer's  
7 parent company or wholly-owned subsidiary, or any combination  
8 thereof, within the 3 years prior to the date that the  
9 ordinance providing for the tax increment allocation financing  
10 under Section 11-74.4-8 was adopted by the municipality, and  
11 (2) an improvement on any of the lots, blocks, tracts, or  
12 parcels of real property is demolished or otherwise rendered  
13 uninhabitable, then the initial equalized assessed value for  
14 the lot, block, tract or parcel of real property shall be the  
15 equalized assessed value of the lot, block, tract, or parcel of  
16 real property on the date it was purchased by the developer,  
17 the developer's parent company, or the developer's  
18 wholly-owned subsidiary or purchased by any combination  
19 thereof. This Section applies only to ordinances adopted on or  
20 after the effective date of this amendatory Act of the 101st  
21 General Assembly.

22 (b) In reference to any municipality which has adopted tax  
23 increment financing after January 1, 1978, and in respect to  
24 which the county clerk has certified the "total initial  
25 equalized assessed value" of the property in the redevelopment  
26 area, the municipality may thereafter request the clerk in

1 writing to adjust the initial equalized value of all taxable  
2 real property within the redevelopment project area by  
3 deducting therefrom the exemptions under Article 15 of the  
4 Property Tax Code applicable to each lot, block, tract or  
5 parcel of real property within such redevelopment project area.  
6 The county clerk shall immediately after the written request to  
7 adjust the total initial equalized value is received determine  
8 the total homestead exemptions in the redevelopment project  
9 area provided by Sections 15-170, 15-175, and 15-176 of the  
10 Property Tax Code by adding together the homestead exemptions  
11 provided by said Sections on each lot, block, tract or parcel  
12 of real property within such redevelopment project area and  
13 then shall deduct the total of said exemptions from the total  
14 initial equalized assessed value. The county clerk shall then  
15 promptly certify such amount as the "total initial equalized  
16 assessed value as adjusted" of the taxable real property within  
17 such redevelopment project area.

18 (c) After the county clerk has certified the "total initial  
19 equalized assessed value" of the taxable real property in such  
20 area, then in respect to every taxing district containing a  
21 redevelopment project area, the county clerk or any other  
22 official required by law to ascertain the amount of the  
23 equalized assessed value of all taxable property within such  
24 district for the purpose of computing the rate per cent of tax  
25 to be extended upon taxable property within such district,  
26 shall in every year that tax increment allocation financing is

1 in effect ascertain the amount of value of taxable property in  
2 a redevelopment project area by including in such amount the  
3 lower of the current equalized assessed value or the certified  
4 "total initial equalized assessed value" of all taxable real  
5 property in such area, except that after he has certified the  
6 "total initial equalized assessed value as adjusted" he shall  
7 in the year of said certification if tax rates have not been  
8 extended and in every year thereafter that tax increment  
9 allocation financing is in effect ascertain the amount of value  
10 of taxable property in a redevelopment project area by  
11 including in such amount the lower of the current equalized  
12 assessed value or the certified "total initial equalized  
13 assessed value as adjusted" of all taxable real property in  
14 such area. The rate per cent of tax determined shall be  
15 extended to the current equalized assessed value of all  
16 property in the redevelopment project area in the same manner  
17 as the rate per cent of tax is extended to all other taxable  
18 property in the taxing district. The method of extending taxes  
19 established under this Section shall terminate when the  
20 municipality adopts an ordinance dissolving the special tax  
21 allocation fund for the redevelopment project area. This  
22 Division shall not be construed as relieving property owners  
23 within a redevelopment project area from paying a uniform rate  
24 of taxes upon the current equalized assessed value of their  
25 taxable property as provided in the Property Tax Code.

26 (Source: P.A. 95-644, eff. 10-12-07.)