



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB2578

by Rep. Michael J. Zalewski

SYNOPSIS AS INTRODUCED:

35 ILCS 200/11-80.1
35 ILCS 200/11-85
35 ILCS 200/11-90

Amends the Property Tax Code. Removes a sunset provision concerning increases in a property's overall valuation that are directly attributable to the investment, improvement, replacement, or expansion of railroad operating property through State or federal government programs necessary for high speed passenger rail transportation (currently, those provisions sunset on December 31, 2019). Effective immediately.

LRB101 08776 HLH 53863 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 Sections 11-80.1, 11-85, and 11-90 as follows:

6 (35 ILCS 200/11-80.1)

7 Sec. 11-80.1. High-speed passenger rail project. Due to the
8 importance of developing high-speed or faster rail service, the
9 General Assembly finds that it should encourage freight
10 railroad owners to participate in State and federal government
11 programs, including cooperative agreements designed to
12 increase the speed of passenger rail service, that
13 participation in those programs should not result in increased
14 property taxes, and that such an increase in property taxes
15 could negatively impact the participation in those programs.
16 Therefore, the Department shall take into consideration any
17 potential increase in a property's overall valuation that is
18 directly attributable to the investment, improvement,
19 replacement, or expansion of railroad operating property on or
20 after January 1, 2010, through State or federal government
21 programs, including cooperative agreements, necessary for
22 higher speed passenger rail transportation. Any such increase
23 in the property's overall valuation that is directly

1 attributable to the investment, improvement, replacement, or
2 expansion of railroad operating property on or after January 1,
3 2010, through State or federal government programs necessary
4 for higher speed passenger rail transportation, including
5 cooperative agreements, shall be excluded from the valuation of
6 its real property improvements under Section 11-80. This
7 Section applies on and after the effective date of this
8 amendatory Act of the 97th General Assembly ~~and through~~
9 ~~December 31, 2019.~~

10 (Source: P.A. 97-481, eff. 8-22-11.)

11 (35 ILCS 200/11-85)

12 Sec. 11-85. Property schedules. Every railroad company
13 shall, on or before June 1 of each year, when required, make
14 out and file with the Department a statement or schedule
15 showing the property held for right of way, whether owned,
16 leased, or operated under trackage right agreement, and the
17 length of the first, second, third and other main and all side
18 tracks and turnouts, and the number of acres of right of way in
19 each county of this State and in each taxing district of this
20 State, through or into which the road may run. It shall
21 describe all improvements and stations located on the right of
22 way, giving the quantity, quality, character and original cost
23 of each. It shall also report all non-operating personalty
24 owned or controlled by the company on January 1, giving the
25 quantity, quality, character and location of the same. The

1 report shall also include any potential increase in the
2 property's overall valuation that is directly attributable to
3 the investment, improvement, replacement, or expansion of
4 railroad operating property on or after January 1, 2010,
5 through State or federal governmental programs, including
6 cooperative agreements, necessary for higher speed passenger
7 rail transportation ~~through December 31, 2019~~. New companies
8 shall make the statement on or before the June 1 after the
9 location of their road.

10 When the statement has once been made, it is not necessary
11 to report the description as required above unless directed to
12 do so by the Department, but the company shall, on or before
13 June 1, annually, report all additions or changes in its
14 property in this State as have occurred.

15 The return required by this Section should be made by the
16 using company, but all property which is operated under one
17 control shall be returned as provided in this Section.

18 (Source: P.A. 97-481, eff. 8-22-11.)

19 (35 ILCS 200/11-90)

20 Sec. 11-90. Information schedules. Each year every
21 railroad company in this State shall return to the Department,
22 in addition to any other information required by this Code,
23 sworn statements or schedules as follows:

24 (a) The amount of capital stock authorized and the
25 total number of shares of capital stock.

1 (b) The amount of capital stock issued and outstanding.

2 (c) The market value, or if no market value then the
3 estimated value, of the shares of stock outstanding.

4 (d) The total amount of all bonds outstanding and all
5 other indebtedness.

6 (e) The market value, or if no market value then the
7 estimated value, of all bonds outstanding and all other
8 indebtedness.

9 (f) A statement in detail of the entire gross receipts
10 and net earnings of the company during the 5 calendar years
11 preceding the assessment date within this State, and of the
12 entire system from all sources.

13 (g) The length of the first, second, third and other
14 main tracks and all side tracks and turnouts showing the
15 proportions within this State and elsewhere.

16 (h) The reproduction cost of the property within
17 Illinois and the total reproduction cost of all property of
18 the company. The reproduction cost, so far as applicable,
19 shall be as last determined by the United States Interstate
20 Commerce Commission, or other competent authority, plus
21 additions and betterments, less retirements and
22 depreciation to the December 31 preceding the assessment
23 date.

24 (i) An enumeration and classification of all rolling
25 stock and car equipment owned or leased by the company. The
26 classification shall show type of equipment and

1 circumstances of ownership and use. The enumeration shall
2 include rolling stock used over the track of other
3 companies under any trackage right agreement. All other
4 property used in connection with a trackage right agreement
5 shall be listed.

6 (j) Any other information the Department may require to
7 determine the fair cash value of the property of any
8 railroad company, or necessary to carry out the provisions
9 of this Code, including information pertaining to any
10 potential increases in the property's overall valuation
11 that is directly attributable to the investment,
12 improvement, replacement, or expansion of railroad
13 operating property on or after January 1, 2010, through
14 State or federal governmental programs, including
15 cooperative agreements, necessary for higher speed
16 passenger rail transportation ~~through December 31, 2019.~~

17 Such statements or schedules shall conform to the
18 instructions and forms prescribed by the Department.

19 In cases where a railroad company uses property owned by
20 another, the return shall be made by the using company and all
21 property operated under one control shall be returned as
22 provided above.

23 (Source: P.A. 97-481, eff. 8-22-11.)

24 Section 99. Effective date. This Act takes effect upon
25 becoming law.