



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB3057

by Rep. Sonya M. Harper

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-186 new

Amends the Property Tax Code. Creates a school tax reduction homestead exemption. Provides that, for the purpose of calculating taxes levied by a school district, there shall be a reduction from the equalized assessed value of qualified homestead property equal to the exempt amount. Sets forth the calculation of the exempt amount. Provides that "qualified homestead property" means homestead property owned by persons with a household income of less than \$500,000 per year.

LRB101 03627 HLH 48635 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 adding
5 Section 15-186 as follows:

6 (35 ILCS 200/15-186 new)

7 Sec. 15-186. School tax reduction (STAR) homestead
8 exemption.

9 (a) The exemption provided in this Section shall be used
10 when calculating the property taxes levied by a school
11 district. For taxable years beginning on or after January 1,
12 2020, there shall be a reduction from the equalized assessed
13 value of qualified homestead property equal to the exempt
14 amount. The exempt amount for each property shall be determined
15 annually by multiplying the base figure by the
16 locally-applicable sales price differential factor, if any, as
17 determined by the Department, and multiplying the product by
18 the State equalization factor. The result is then rounded to
19 the nearest multiple of ten dollars.

20 (b) As used in this Section:

21 "Base figure" means \$10,000, multiplied each year by the
22 percentage increase in the Consumer Price Index for Urban Wage
23 Earners and Clerical Workers (CPI-W) published by the United

1 States Department of Labor, Bureau of Labor Statistics, for the
2 third quarter of the calendar year preceding the applicable
3 school year, as compared to the third quarter of the prior
4 calendar year. If a base figure as so determined is not exactly
5 equal to a multiple of one hundred dollars, it shall be rounded
6 to the nearest multiple of one hundred dollars.

7 "Sales price differential factor" means the average price
8 of residential property in the county divided by the statewide
9 average. The sales price of property which is held in
10 condominium or cooperative form of ownership shall not be
11 considered when determining median sales prices pursuant to
12 this paragraph. If the median residential sales price is lower
13 than the statewide average, the sales price differential factor
14 is 1.0000.

15 "Qualified homestead property" means homestead property,
16 as defined in Section 15-175, owned by persons with a household
17 income, as defined in Section 15-172, of less than \$500,000 per
18 year.