

# HB3401



## 101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB3401

by Rep. Joyce Mason

### SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-168.1 new

Amends the Property Tax Code. Creates an assessment freeze homestead exemption for persons with a disability. Sets forth the amount of the exemption. Provides that applicants must reapply on an annual basis. Effective immediately.

LRB101 07054 HLH 52090 b

FISCAL NOTE ACT  
MAY APPLY

HOUSING  
AFFORDABILITY  
IMPACT NOTE ACT  
MAY APPLY

A BILL FOR

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 15-168.1 as follows:

6 (35 ILCS 200/15-168.1 new)

7 Sec. 15-168.1. Assessment Freeze Homestead Exemption for  
8 Persons with Disabilities.

9 (a) This Section may be cited as the Assessment Freeze  
10 Homestead Exemption for Persons with Disabilities.

11 (b) As used in this Section:

12 "Applicant" means an individual who has filed an  
13 application under this Section.

14 "Base amount" means the base year equalized assessed value  
15 of the residence plus the first year's equalized assessed value  
16 of any added improvements which increased the assessed value of  
17 the residence after the base year.

18 "Base year" means the taxable year prior to the taxable  
19 year for which the applicant first qualifies and applies for  
20 the exemption, provided that, in the prior taxable year, the  
21 property was improved with a permanent structure that was  
22 occupied as a residence by the applicant who was liable for  
23 paying real property taxes on the property and who was either

1 (i) an owner of record of the property or had legal or  
2 equitable interest in the property as evidenced by a written  
3 instrument or (ii) had a legal or equitable interest as a  
4 lessee in the parcel of property that was single family  
5 residence. If in any subsequent taxable year for which the  
6 applicant applies and qualifies for the exemption the equalized  
7 assessed value of the residence is less than the equalized  
8 assessed value in the existing base year (provided that such  
9 equalized assessed value is not based on an assessed value that  
10 results from a temporary irregularity in the property that  
11 reduces the assessed value for one or more taxable years), then  
12 that subsequent taxable year shall become the base year until a  
13 new base year is established under the terms of this paragraph.  
14 An equalized assessed value that is based on an assessed value  
15 that results from a temporary irregularity in the property that  
16 reduces the assessed value for one or more taxable years shall  
17 not be considered the lowest equalized assessed value.

18 "Chief County Assessment Officer" means the County  
19 Assessor or Supervisor of Assessments of the county in which  
20 the property is located.

21 "Equalized assessed value" means the assessed value as  
22 equalized by the Illinois Department of Revenue.

23 "Household" means the applicant, the spouse of the  
24 applicant, and all persons using the residence of the applicant  
25 as their principal place of residence.

26 "Household income" means the combined income of the members

1 of a household for the calendar year preceding the taxable  
2 year.

3 "Income" has the same meaning as provided in Section 3.07  
4 of the Senior Citizens and Persons with Disabilities Property  
5 Tax Relief Act, except that "income" does not include veteran's  
6 benefits.

7 "Life care facility that qualifies as a cooperative" means  
8 a facility as defined in Section 2 of the Life Care Facilities  
9 Act.

10 "Maximum income limitation" means \$55,000.

11 "Person with a disability" has the meaning ascribed to that  
12 term in Section 15-168 of this Act.

13 "Residence" means the principal dwelling place and  
14 appurtenant structures used for residential purposes in this  
15 State occupied on January 1 of the taxable year by a household  
16 and so much of the surrounding land, constituting the parcel  
17 upon which the dwelling place is situated, as is used for  
18 residential purposes. If the Chief County Assessment Officer  
19 has established a specific legal description for a portion of  
20 property constituting the residence, then that portion of  
21 property shall be deemed the residence for the purposes of this  
22 Section.

23 "Taxable year" means the calendar year during which ad  
24 valorem property taxes payable in the next succeeding year are  
25 levied.

26 (c) Beginning in taxable year 2019, an assessment freeze

1 homestead exemption is granted for real property that is  
2 improved with a permanent structure that is occupied as a  
3 residence by an applicant who (i) is a person with a disability  
4 at any point during the taxable year, (ii) has a household  
5 income that does not exceed the maximum income limitation,  
6 (iii) is liable for paying real property taxes on the property,  
7 and (iv) is an owner of record of the property or has a legal or  
8 equitable interest in the property as evidenced by a written  
9 instrument. This homestead exemption shall also apply to a  
10 leasehold interest in a parcel of property improved with a  
11 permanent structure that is a single family residence that is  
12 occupied as a residence by a person who (i) is a person with a  
13 disability during the taxable year, (ii) has a household income  
14 that does not exceed the maximum income limitation, (iii) has a  
15 legal or equitable ownership interest in the property as  
16 lessee, and (iv) is liable for the payment of real property  
17 taxes on that property.

18 In counties of 3,000,000 or more inhabitants, the amount of  
19 the exemption for all taxable years is the equalized assessed  
20 value of the residence in the taxable year for which  
21 application is made minus the base amount. In all other  
22 counties, the amount of the exemption is as follows:

23 (1) For an applicant who has a household income of  
24 \$45,000 or less, the amount of the exemption is the  
25 equalized assessed value of the residence in the taxable  
26 year for which application is made minus the base amount.

1           (2) For an applicant who has a household income  
2           exceeding \$45,000 but not exceeding \$46,250, the amount of  
3           the exemption is (i) the equalized assessed value of the  
4           residence in the taxable year for which application is made  
5           minus the base amount (ii) multiplied by 0.8.

6           (3) For an applicant who has a household income  
7           exceeding \$46,250 but not exceeding \$47,500, the amount of  
8           the exemption is (i) the equalized assessed value of the  
9           residence in the taxable year for which application is made  
10           minus the base amount (ii) multiplied by 0.6.

11           (4) For an applicant who has a household income  
12           exceeding \$47,500 but not exceeding \$48,750, the amount of  
13           the exemption is (i) the equalized assessed value of the  
14           residence in the taxable year for which application is made  
15           minus the base amount (ii) multiplied by 0.4.

16           (5) For an applicant who has a household income  
17           exceeding \$48,750 but not exceeding \$55,000, the amount of  
18           the exemption is (i) the equalized assessed value of the  
19           residence in the taxable year for which application is made  
20           minus the base amount (ii) multiplied by 0.2.

21           When the applicant is a surviving spouse of an applicant  
22           for a prior year for the same residence for which an exemption  
23           under this Section has been granted, the base year and base  
24           amount for that residence are the same as for the applicant for  
25           the prior year.

26           Each year at the time the assessment books are certified to

1 the County Clerk, the Board of Review or Board of Appeals shall  
2 give to the County Clerk a list of the assessed values of  
3 improvements on each parcel qualifying for this exemption that  
4 were added after the base year for this parcel and increased  
5 the assessed value of the property.

6 In the case of land improved with an apartment building  
7 owned and operated as a cooperative or a building that is a  
8 life care facility that qualifies as a cooperative, the maximum  
9 reduction from the equalized assessed value of the property is  
10 limited to the sum of the reductions calculated for each unit  
11 occupied as a residence by a person or persons (i) with a  
12 disability, (ii) with a household income that does not exceed  
13 the maximum income limitation, (iii) who is liable, by contract  
14 with the owner or owners of record, for paying real property  
15 taxes on the property, and (iv) who is an owner of record of a  
16 legal or equitable interest in the cooperative apartment  
17 building, other than a leasehold interest. In the instance of a  
18 cooperative where a homestead exemption has been granted under  
19 this Section, the cooperative association or its management  
20 firm shall credit the savings resulting from that exemption  
21 only to the apportioned tax liability of the owner who  
22 qualified for the exemption. Any person who willfully refuses  
23 to credit that savings to an owner who qualifies for the  
24 exemption is guilty of a Class B misdemeanor.

25 When a homestead exemption has been granted under this  
26 Section and an applicant then becomes a resident of a facility

1 licensed under the Assisted Living and Shared Housing Act, the  
2 Nursing Home Care Act, the Specialized Mental Health  
3 Rehabilitation Act of 2013, the ID/DD Community Care Act, or  
4 the MC/DD Act, the exemption shall be granted in subsequent  
5 years so long as the residence (i) continues to be occupied by  
6 the qualified applicant's spouse or (ii) if remaining  
7 unoccupied, is still owned by the qualified applicant for the  
8 homestead exemption.

9 When an individual dies who would have qualified for an  
10 exemption under this Section, and the surviving spouse does not  
11 independently qualify for this exemption because of he or she  
12 is not a person with a disability, the exemption under this  
13 Section shall be granted to the surviving spouse for the  
14 taxable year preceding and the taxable year of the death,  
15 provided that the surviving spouse meets all other  
16 qualifications for the granting of this exemption for those  
17 years.

18 When married persons maintain separate residences, the  
19 exemption provided for in this Section may be claimed by only  
20 one of such persons and for only one residence.

21 To receive the exemption, a person shall submit an  
22 application by July 1 of each taxable year to the Chief County  
23 Assessment Officer of the county in which the property is  
24 located. A county may, by ordinance, establish a date for  
25 submission of applications that is different than July 1. The  
26 applicant shall submit with the application an affidavit of the



1 applicant's total household income, marital status (and if  
2 married the name and address of the applicant's spouse, if  
3 known), disability, and principal dwelling place of members of  
4 the household on January 1 of the taxable year. The Department  
5 shall establish, by rule, a method for verifying the accuracy  
6 of affidavits filed by applicants under this Section, and the  
7 Chief County Assessment Officer may conduct audits of any  
8 taxpayer claiming an exemption under this Section to verify  
9 that the taxpayer is eligible to receive the exemption. Each  
10 application shall contain or be verified by a written  
11 declaration that it is made under the penalties of perjury. A  
12 taxpayer's signing a fraudulent application under this Act is  
13 perjury, as defined in Section 32-2 of the Criminal Code of  
14 2012. The applications shall be clearly marked as applications  
15 for the Assessment Freeze Homestead Exemption for Persons with  
16 a Disability and must contain a notice that any taxpayer who  
17 receives the exemption is subject to an audit by the Chief  
18 County Assessment Officer.

19 Notwithstanding any other provision to the contrary, if an  
20 applicant fails to file the application required by this  
21 Section in a timely manner and this failure to file is due to a  
22 mental or physical condition sufficiently severe so as to  
23 render the applicant incapable of filing the application in a  
24 timely manner, the Chief County Assessment Officer may extend  
25 the filing deadline for a period of 30 days after the applicant  
26 regains the capability to file the application, but in no case

1 may the filing deadline be extended beyond 3 months of the  
2 original filing deadline. In order to receive the extension  
3 provided in this paragraph, the applicant shall provide the  
4 Chief County Assessment Officer with a signed statement from  
5 the applicant's physician, advanced practice nurse, or  
6 physician assistant stating the nature and extent of the  
7 condition, that, in the physician's, advanced practice  
8 nurse's, or physician assistant's opinion, the condition was so  
9 severe that it rendered the applicant incapable of filing the  
10 application in a timely manner, and the date on which the  
11 applicant regained the capability to file the application.

12 Application shall be made during the application period in  
13 effect for the county of his or her residence.

14 The Chief County Assessment Officer may determine the  
15 eligibility of a life care facility that qualifies as a  
16 cooperative to receive the benefits provided by this Section by  
17 use of an affidavit, application, visual inspection,  
18 questionnaire, or other reasonable method in order to insure  
19 that the tax savings resulting from the exemption are credited  
20 by the management firm to the apportioned tax liability of each  
21 qualifying resident. The Chief County Assessment Officer may  
22 request reasonable proof that the management firm has so  
23 credited that exemption.

24 Except as provided in this Section, all information  
25 received by the chief county assessment officer or the  
26 Department from applications filed under this Section, or from

1 any investigation conducted under the provisions of this  
2 Section, shall be confidential, except for official purposes or  
3 pursuant to official procedures for collection of any State or  
4 local tax or enforcement of any civil or criminal penalty or  
5 sanction imposed by this Act or by any statute or ordinance  
6 imposing a State or local tax. Any person who divulges any such  
7 information in any manner, except in accordance with a proper  
8 judicial order, is guilty of a Class A misdemeanor.

9 Nothing contained in this Section shall prevent the  
10 Director or chief county assessment officer from publishing or  
11 making available reasonable statistics concerning the  
12 operation of the exemption contained in this Section in which  
13 the contents of claims are grouped into aggregates in such a  
14 way that information contained in any individual claim shall  
15 not be disclosed.

16 (d) Each Chief County Assessment Officer shall annually  
17 publish a notice of availability of the exemption provided  
18 under this Section. The notice shall be published at least 60  
19 days but no more than 75 days prior to the date on which the  
20 application must be submitted to the Chief County Assessment  
21 Officer of the county in which the property is located. The  
22 notice shall appear in a newspaper of general circulation in  
23 the county.

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

1           Section 99. Effective date. This Act takes effect upon  
2    becoming law.