



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

HB3530

by Rep. Anne Stava-Murray

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-185  
35 ILCS 200/18-205

Amends the Property Tax Extension Limitation in the Property Tax Code. Provides that, in the case of a school district (other than a school district organized under Article 34 of the School Code), the district may increase its extension limitation if the school board certifies to the county clerk that (i) the school district is under a financial emergency during the current levy year and (ii) for either or both of the 2 immediately preceding levy years, the aggregate tax rate for all of the district's included funds was less than the district's limiting rate for the applicable year. Sets forth the amount of the increase. Provides that "financial emergency" means that the district's cash reserves for the current fiscal year fall below 200% of the average of the annual budgets of the district for the 5 preceding years. Effective immediately.

LRB101 07033 HLH 52069 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 18-185 and 18-205 as follows:

6 (35 ILCS 200/18-185)

7 Sec. 18-185. Short title; definitions. This Division 5 may  
8 be cited as the Property Tax Extension Limitation Law. As used  
9 in this Division 5:

10 "Consumer Price Index" means the Consumer Price Index for  
11 All Urban Consumers for all items published by the United  
12 States Department of Labor.

13 "Extension limitation" means (a) the lesser of 5% or the  
14 percentage increase in the Consumer Price Index during the  
15 12-month calendar year preceding the levy year or (b) the rate  
16 of increase approved by voters under Section 18-205.  
17 Notwithstanding any other provision of law, in the case of a  
18 school district (other than a school district organized under  
19 Article 34 of the School Code), if the school board certifies  
20 to the county clerk that (i) the school district is under a  
21 financial emergency during the current levy year and (ii) for  
22 either or both of the 2 immediately preceding levy years, the  
23 aggregate tax rate for all of the district's included funds was

1 less than the district's limiting rate for the applicable year,  
2 then the extension limitation for the levy year in which the  
3 financial emergency exists shall be the greater of: (1) the sum  
4 of (i) the lesser of 5% or the percentage increase in the  
5 Consumer Price Index during the 12-month calendar year  
6 preceding the levy year, plus (ii) 50% of the difference  
7 between the extension limitation for each of the 2 immediately  
8 preceding levy years and the actual percentage increase for the  
9 aggregate of the district's included funds over the aggregate  
10 extension base for that levy year; or (2) the rate of increase  
11 approved by voters under Section 18-205. For the purposes of  
12 this definition, "included fund" means any fund of the district  
13 that is subject to this Law. For the purposes of this  
14 definition, "financial emergency" means that the district's  
15 cash reserves for the current fiscal year fall below 200% of  
16 the average of the annual budgets of the district for the 5  
17 preceding years.

18 "Affected county" means a county of 3,000,000 or more  
19 inhabitants or a county contiguous to a county of 3,000,000 or  
20 more inhabitants.

21 "Taxing district" has the same meaning provided in Section  
22 1-150, except as otherwise provided in this Section. For the  
23 1991 through 1994 levy years only, "taxing district" includes  
24 only each non-home rule taxing district having the majority of  
25 its 1990 equalized assessed value within any county or counties  
26 contiguous to a county with 3,000,000 or more inhabitants.

1 Beginning with the 1995 levy year, "taxing district" includes  
2 only each non-home rule taxing district subject to this Law  
3 before the 1995 levy year and each non-home rule taxing  
4 district not subject to this Law before the 1995 levy year  
5 having the majority of its 1994 equalized assessed value in an  
6 affected county or counties. Beginning with the levy year in  
7 which this Law becomes applicable to a taxing district as  
8 provided in Section 18-213, "taxing district" also includes  
9 those taxing districts made subject to this Law as provided in  
10 Section 18-213.

11 "Aggregate extension" for taxing districts to which this  
12 Law applied before the 1995 levy year means the annual  
13 corporate extension for the taxing district and those special  
14 purpose extensions that are made annually for the taxing  
15 district, excluding special purpose extensions: (a) made for  
16 the taxing district to pay interest or principal on general  
17 obligation bonds that were approved by referendum; (b) made for  
18 any taxing district to pay interest or principal on general  
19 obligation bonds issued before October 1, 1991; (c) made for  
20 any taxing district to pay interest or principal on bonds  
21 issued to refund or continue to refund those bonds issued  
22 before October 1, 1991; (d) made for any taxing district to pay  
23 interest or principal on bonds issued to refund or continue to  
24 refund bonds issued after October 1, 1991 that were approved by  
25 referendum; (e) made for any taxing district to pay interest or  
26 principal on revenue bonds issued before October 1, 1991 for

1 payment of which a property tax levy or the full faith and  
2 credit of the unit of local government is pledged; however, a  
3 tax for the payment of interest or principal on those bonds  
4 shall be made only after the governing body of the unit of  
5 local government finds that all other sources for payment are  
6 insufficient to make those payments; (f) made for payments  
7 under a building commission lease when the lease payments are  
8 for the retirement of bonds issued by the commission before  
9 October 1, 1991, to pay for the building project; (g) made for  
10 payments due under installment contracts entered into before  
11 October 1, 1991; (h) made for payments of principal and  
12 interest on bonds issued under the Metropolitan Water  
13 Reclamation District Act to finance construction projects  
14 initiated before October 1, 1991; (i) made for payments of  
15 principal and interest on limited bonds, as defined in Section  
16 3 of the Local Government Debt Reform Act, in an amount not to  
17 exceed the debt service extension base less the amount in items  
18 (b), (c), (e), and (h) of this definition for non-referendum  
19 obligations, except obligations initially issued pursuant to  
20 referendum; (j) made for payments of principal and interest on  
21 bonds issued under Section 15 of the Local Government Debt  
22 Reform Act; (k) made by a school district that participates in  
23 the Special Education District of Lake County, created by  
24 special education joint agreement under Section 10-22.31 of the  
25 School Code, for payment of the school district's share of the  
26 amounts required to be contributed by the Special Education

1 District of Lake County to the Illinois Municipal Retirement  
2 Fund under Article 7 of the Illinois Pension Code; the amount  
3 of any extension under this item (k) shall be certified by the  
4 school district to the county clerk; (l) made to fund expenses  
5 of providing joint recreational programs for persons with  
6 disabilities under Section 5-8 of the Park District Code or  
7 Section 11-95-14 of the Illinois Municipal Code; (m) made for  
8 temporary relocation loan repayment purposes pursuant to  
9 Sections 2-3.77 and 17-2.2d of the School Code; (n) made for  
10 payment of principal and interest on any bonds issued under the  
11 authority of Section 17-2.2d of the School Code; (o) made for  
12 contributions to a firefighter's pension fund created under  
13 Article 4 of the Illinois Pension Code, to the extent of the  
14 amount certified under item (5) of Section 4-134 of the  
15 Illinois Pension Code; and (p) made for road purposes in the  
16 first year after a township assumes the rights, powers, duties,  
17 assets, property, liabilities, obligations, and  
18 responsibilities of a road district abolished under the  
19 provisions of Section 6-133 of the Illinois Highway Code.

20 "Aggregate extension" for the taxing districts to which  
21 this Law did not apply before the 1995 levy year (except taxing  
22 districts subject to this Law in accordance with Section  
23 18-213) means the annual corporate extension for the taxing  
24 district and those special purpose extensions that are made  
25 annually for the taxing district, excluding special purpose  
26 extensions: (a) made for the taxing district to pay interest or

1 principal on general obligation bonds that were approved by  
2 referendum; (b) made for any taxing district to pay interest or  
3 principal on general obligation bonds issued before March 1,  
4 1995; (c) made for any taxing district to pay interest or  
5 principal on bonds issued to refund or continue to refund those  
6 bonds issued before March 1, 1995; (d) made for any taxing  
7 district to pay interest or principal on bonds issued to refund  
8 or continue to refund bonds issued after March 1, 1995 that  
9 were approved by referendum; (e) made for any taxing district  
10 to pay interest or principal on revenue bonds issued before  
11 March 1, 1995 for payment of which a property tax levy or the  
12 full faith and credit of the unit of local government is  
13 pledged; however, a tax for the payment of interest or  
14 principal on those bonds shall be made only after the governing  
15 body of the unit of local government finds that all other  
16 sources for payment are insufficient to make those payments;  
17 (f) made for payments under a building commission lease when  
18 the lease payments are for the retirement of bonds issued by  
19 the commission before March 1, 1995 to pay for the building  
20 project; (g) made for payments due under installment contracts  
21 entered into before March 1, 1995; (h) made for payments of  
22 principal and interest on bonds issued under the Metropolitan  
23 Water Reclamation District Act to finance construction  
24 projects initiated before October 1, 1991; (h-4) made for  
25 stormwater management purposes by the Metropolitan Water  
26 Reclamation District of Greater Chicago under Section 12 of the

1 Metropolitan Water Reclamation District Act; (i) made for  
2 payments of principal and interest on limited bonds, as defined  
3 in Section 3 of the Local Government Debt Reform Act, in an  
4 amount not to exceed the debt service extension base less the  
5 amount in items (b), (c), and (e) of this definition for  
6 non-referendum obligations, except obligations initially  
7 issued pursuant to referendum and bonds described in subsection  
8 (h) of this definition; (j) made for payments of principal and  
9 interest on bonds issued under Section 15 of the Local  
10 Government Debt Reform Act; (k) made for payments of principal  
11 and interest on bonds authorized by Public Act 88-503 and  
12 issued under Section 20a of the Chicago Park District Act for  
13 aquarium or museum projects; (l) made for payments of principal  
14 and interest on bonds authorized by Public Act 87-1191 or  
15 93-601 and (i) issued pursuant to Section 21.2 of the Cook  
16 County Forest Preserve District Act, (ii) issued under Section  
17 42 of the Cook County Forest Preserve District Act for  
18 zoological park projects, or (iii) issued under Section 44.1 of  
19 the Cook County Forest Preserve District Act for botanical  
20 gardens projects; (m) made pursuant to Section 34-53.5 of the  
21 School Code, whether levied annually or not; (n) made to fund  
22 expenses of providing joint recreational programs for persons  
23 with disabilities under Section 5-8 of the Park District Code  
24 or Section 11-95-14 of the Illinois Municipal Code; (o) made by  
25 the Chicago Park District for recreational programs for persons  
26 with disabilities under subsection (c) of Section 7.06 of the



1 Chicago Park District Act; (p) made for contributions to a  
2 firefighter's pension fund created under Article 4 of the  
3 Illinois Pension Code, to the extent of the amount certified  
4 under item (5) of Section 4-134 of the Illinois Pension Code;  
5 (q) made by Ford Heights School District 169 under Section  
6 17-9.02 of the School Code; and (r) made for the purpose of  
7 making employer contributions to the Public School Teachers'  
8 Pension and Retirement Fund of Chicago under Section 34-53 of  
9 the School Code.

10 "Aggregate extension" for all taxing districts to which  
11 this Law applies in accordance with Section 18-213, except for  
12 those taxing districts subject to paragraph (2) of subsection  
13 (e) of Section 18-213, means the annual corporate extension for  
14 the taxing district and those special purpose extensions that  
15 are made annually for the taxing district, excluding special  
16 purpose extensions: (a) made for the taxing district to pay  
17 interest or principal on general obligation bonds that were  
18 approved by referendum; (b) made for any taxing district to pay  
19 interest or principal on general obligation bonds issued before  
20 the date on which the referendum making this Law applicable to  
21 the taxing district is held; (c) made for any taxing district  
22 to pay interest or principal on bonds issued to refund or  
23 continue to refund those bonds issued before the date on which  
24 the referendum making this Law applicable to the taxing  
25 district is held; (d) made for any taxing district to pay  
26 interest or principal on bonds issued to refund or continue to

1 refund bonds issued after the date on which the referendum  
2 making this Law applicable to the taxing district is held if  
3 the bonds were approved by referendum after the date on which  
4 the referendum making this Law applicable to the taxing  
5 district is held; (e) made for any taxing district to pay  
6 interest or principal on revenue bonds issued before the date  
7 on which the referendum making this Law applicable to the  
8 taxing district is held for payment of which a property tax  
9 levy or the full faith and credit of the unit of local  
10 government is pledged; however, a tax for the payment of  
11 interest or principal on those bonds shall be made only after  
12 the governing body of the unit of local government finds that  
13 all other sources for payment are insufficient to make those  
14 payments; (f) made for payments under a building commission  
15 lease when the lease payments are for the retirement of bonds  
16 issued by the commission before the date on which the  
17 referendum making this Law applicable to the taxing district is  
18 held to pay for the building project; (g) made for payments due  
19 under installment contracts entered into before the date on  
20 which the referendum making this Law applicable to the taxing  
21 district is held; (h) made for payments of principal and  
22 interest on limited bonds, as defined in Section 3 of the Local  
23 Government Debt Reform Act, in an amount not to exceed the debt  
24 service extension base less the amount in items (b), (c), and  
25 (e) of this definition for non-referendum obligations, except  
26 obligations initially issued pursuant to referendum; (i) made

1 for payments of principal and interest on bonds issued under  
2 Section 15 of the Local Government Debt Reform Act; (j) made  
3 for a qualified airport authority to pay interest or principal  
4 on general obligation bonds issued for the purpose of paying  
5 obligations due under, or financing airport facilities  
6 required to be acquired, constructed, installed or equipped  
7 pursuant to, contracts entered into before March 1, 1996 (but  
8 not including any amendments to such a contract taking effect  
9 on or after that date); (k) made to fund expenses of providing  
10 joint recreational programs for persons with disabilities  
11 under Section 5-8 of the Park District Code or Section 11-95-14  
12 of the Illinois Municipal Code; (l) made for contributions to a  
13 firefighter's pension fund created under Article 4 of the  
14 Illinois Pension Code, to the extent of the amount certified  
15 under item (5) of Section 4-134 of the Illinois Pension Code;  
16 and (m) made for the taxing district to pay interest or  
17 principal on general obligation bonds issued pursuant to  
18 Section 19-3.10 of the School Code.

19 "Aggregate extension" for all taxing districts to which  
20 this Law applies in accordance with paragraph (2) of subsection  
21 (e) of Section 18-213 means the annual corporate extension for  
22 the taxing district and those special purpose extensions that  
23 are made annually for the taxing district, excluding special  
24 purpose extensions: (a) made for the taxing district to pay  
25 interest or principal on general obligation bonds that were  
26 approved by referendum; (b) made for any taxing district to pay

1 interest or principal on general obligation bonds issued before  
2 the effective date of this amendatory Act of 1997; (c) made for  
3 any taxing district to pay interest or principal on bonds  
4 issued to refund or continue to refund those bonds issued  
5 before the effective date of this amendatory Act of 1997; (d)  
6 made for any taxing district to pay interest or principal on  
7 bonds issued to refund or continue to refund bonds issued after  
8 the effective date of this amendatory Act of 1997 if the bonds  
9 were approved by referendum after the effective date of this  
10 amendatory Act of 1997; (e) made for any taxing district to pay  
11 interest or principal on revenue bonds issued before the  
12 effective date of this amendatory Act of 1997 for payment of  
13 which a property tax levy or the full faith and credit of the  
14 unit of local government is pledged; however, a tax for the  
15 payment of interest or principal on those bonds shall be made  
16 only after the governing body of the unit of local government  
17 finds that all other sources for payment are insufficient to  
18 make those payments; (f) made for payments under a building  
19 commission lease when the lease payments are for the retirement  
20 of bonds issued by the commission before the effective date of  
21 this amendatory Act of 1997 to pay for the building project;  
22 (g) made for payments due under installment contracts entered  
23 into before the effective date of this amendatory Act of 1997;  
24 (h) made for payments of principal and interest on limited  
25 bonds, as defined in Section 3 of the Local Government Debt  
26 Reform Act, in an amount not to exceed the debt service

1 extension base less the amount in items (b), (c), and (e) of  
2 this definition for non-referendum obligations, except  
3 obligations initially issued pursuant to referendum; (i) made  
4 for payments of principal and interest on bonds issued under  
5 Section 15 of the Local Government Debt Reform Act; (j) made  
6 for a qualified airport authority to pay interest or principal  
7 on general obligation bonds issued for the purpose of paying  
8 obligations due under, or financing airport facilities  
9 required to be acquired, constructed, installed or equipped  
10 pursuant to, contracts entered into before March 1, 1996 (but  
11 not including any amendments to such a contract taking effect  
12 on or after that date); (k) made to fund expenses of providing  
13 joint recreational programs for persons with disabilities  
14 under Section 5-8 of the Park District Code or Section 11-95-14  
15 of the Illinois Municipal Code; and (l) made for contributions  
16 to a firefighter's pension fund created under Article 4 of the  
17 Illinois Pension Code, to the extent of the amount certified  
18 under item (5) of Section 4-134 of the Illinois Pension Code.

19 "Debt service extension base" means an amount equal to that  
20 portion of the extension for a taxing district for the 1994  
21 levy year, or for those taxing districts subject to this Law in  
22 accordance with Section 18-213, except for those subject to  
23 paragraph (2) of subsection (e) of Section 18-213, for the levy  
24 year in which the referendum making this Law applicable to the  
25 taxing district is held, or for those taxing districts subject  
26 to this Law in accordance with paragraph (2) of subsection (e)

1 of Section 18-213 for the 1996 levy year, constituting an  
2 extension for payment of principal and interest on bonds issued  
3 by the taxing district without referendum, but not including  
4 excluded non-referendum bonds. For park districts (i) that were  
5 first subject to this Law in 1991 or 1995 and (ii) whose  
6 extension for the 1994 levy year for the payment of principal  
7 and interest on bonds issued by the park district without  
8 referendum (but not including excluded non-referendum bonds)  
9 was less than 51% of the amount for the 1991 levy year  
10 constituting an extension for payment of principal and interest  
11 on bonds issued by the park district without referendum (but  
12 not including excluded non-referendum bonds), "debt service  
13 extension base" means an amount equal to that portion of the  
14 extension for the 1991 levy year constituting an extension for  
15 payment of principal and interest on bonds issued by the park  
16 district without referendum (but not including excluded  
17 non-referendum bonds). A debt service extension base  
18 established or increased at any time pursuant to any provision  
19 of this Law, except Section 18-212, shall be increased each  
20 year commencing with the later of (i) the 2009 levy year or  
21 (ii) the first levy year in which this Law becomes applicable  
22 to the taxing district, by the lesser of 5% or the percentage  
23 increase in the Consumer Price Index during the 12-month  
24 calendar year preceding the levy year. The debt service  
25 extension base may be established or increased as provided  
26 under Section 18-212. "Excluded non-referendum bonds" means

1 (i) bonds authorized by Public Act 88-503 and issued under  
2 Section 20a of the Chicago Park District Act for aquarium and  
3 museum projects; (ii) bonds issued under Section 15 of the  
4 Local Government Debt Reform Act; or (iii) refunding  
5 obligations issued to refund or to continue to refund  
6 obligations initially issued pursuant to referendum.

7 "Special purpose extensions" include, but are not limited  
8 to, extensions for levies made on an annual basis for  
9 unemployment and workers' compensation, self-insurance,  
10 contributions to pension plans, and extensions made pursuant to  
11 Section 6-601 of the Illinois Highway Code for a road  
12 district's permanent road fund whether levied annually or not.  
13 The extension for a special service area is not included in the  
14 aggregate extension.

15 "Aggregate extension base" means the taxing district's  
16 last preceding aggregate extension as adjusted under Sections  
17 18-135, 18-215, 18-230, and 18-206. An adjustment under Section  
18 18-135 shall be made for the 2007 levy year and all subsequent  
19 levy years whenever one or more counties within which a taxing  
20 district is located (i) used estimated valuations or rates when  
21 extending taxes in the taxing district for the last preceding  
22 levy year that resulted in the over or under extension of  
23 taxes, or (ii) increased or decreased the tax extension for the  
24 last preceding levy year as required by Section 18-135(c).  
25 Whenever an adjustment is required under Section 18-135, the  
26 aggregate extension base of the taxing district shall be equal

1 to the amount that the aggregate extension of the taxing  
2 district would have been for the last preceding levy year if  
3 either or both (i) actual, rather than estimated, valuations or  
4 rates had been used to calculate the extension of taxes for the  
5 last levy year, or (ii) the tax extension for the last  
6 preceding levy year had not been adjusted as required by  
7 subsection (c) of Section 18-135.

8 Notwithstanding any other provision of law, for levy year  
9 2012, the aggregate extension base for West Northfield School  
10 District No. 31 in Cook County shall be \$12,654,592.

11 "Levy year" has the same meaning as "year" under Section  
12 1-155.

13 "New property" means (i) the assessed value, after final  
14 board of review or board of appeals action, of new improvements  
15 or additions to existing improvements on any parcel of real  
16 property that increase the assessed value of that real property  
17 during the levy year multiplied by the equalization factor  
18 issued by the Department under Section 17-30, (ii) the assessed  
19 value, after final board of review or board of appeals action,  
20 of real property not exempt from real estate taxation, which  
21 real property was exempt from real estate taxation for any  
22 portion of the immediately preceding levy year, multiplied by  
23 the equalization factor issued by the Department under Section  
24 17-30, including the assessed value, upon final stabilization  
25 of occupancy after new construction is complete, of any real  
26 property located within the boundaries of an otherwise or



1 previously exempt military reservation that is intended for  
2 residential use and owned by or leased to a private corporation  
3 or other entity, (iii) in counties that classify in accordance  
4 with Section 4 of Article IX of the Illinois Constitution, an  
5 incentive property's additional assessed value resulting from  
6 a scheduled increase in the level of assessment as applied to  
7 the first year final board of review market value, and (iv) any  
8 increase in assessed value due to oil or gas production from an  
9 oil or gas well required to be permitted under the Hydraulic  
10 Fracturing Regulatory Act that was not produced in or accounted  
11 for during the previous levy year. In addition, the county  
12 clerk in a county containing a population of 3,000,000 or more  
13 shall include in the 1997 recovered tax increment value for any  
14 school district, any recovered tax increment value that was  
15 applicable to the 1995 tax year calculations.

16 "Qualified airport authority" means an airport authority  
17 organized under the Airport Authorities Act and located in a  
18 county bordering on the State of Wisconsin and having a  
19 population in excess of 200,000 and not greater than 500,000.

20 "Recovered tax increment value" means, except as otherwise  
21 provided in this paragraph, the amount of the current year's  
22 equalized assessed value, in the first year after a  
23 municipality terminates the designation of an area as a  
24 redevelopment project area previously established under the  
25 Tax Increment Allocation Development Act in the Illinois  
26 Municipal Code, previously established under the Industrial

1 Jobs Recovery Law in the Illinois Municipal Code, previously  
2 established under the Economic Development Project Area Tax  
3 Increment Act of 1995, or previously established under the  
4 Economic Development Area Tax Increment Allocation Act, of each  
5 taxable lot, block, tract, or parcel of real property in the  
6 redevelopment project area over and above the initial equalized  
7 assessed value of each property in the redevelopment project  
8 area. For the taxes which are extended for the 1997 levy year,  
9 the recovered tax increment value for a non-home rule taxing  
10 district that first became subject to this Law for the 1995  
11 levy year because a majority of its 1994 equalized assessed  
12 value was in an affected county or counties shall be increased  
13 if a municipality terminated the designation of an area in 1993  
14 as a redevelopment project area previously established under  
15 the Tax Increment Allocation Development Act in the Illinois  
16 Municipal Code, previously established under the Industrial  
17 Jobs Recovery Law in the Illinois Municipal Code, or previously  
18 established under the Economic Development Area Tax Increment  
19 Allocation Act, by an amount equal to the 1994 equalized  
20 assessed value of each taxable lot, block, tract, or parcel of  
21 real property in the redevelopment project area over and above  
22 the initial equalized assessed value of each property in the  
23 redevelopment project area. In the first year after a  
24 municipality removes a taxable lot, block, tract, or parcel of  
25 real property from a redevelopment project area established  
26 under the Tax Increment Allocation Development Act in the

1 Illinois Municipal Code, the Industrial Jobs Recovery Law in  
2 the Illinois Municipal Code, or the Economic Development Area  
3 Tax Increment Allocation Act, "recovered tax increment value"  
4 means the amount of the current year's equalized assessed value  
5 of each taxable lot, block, tract, or parcel of real property  
6 removed from the redevelopment project area over and above the  
7 initial equalized assessed value of that real property before  
8 removal from the redevelopment project area.

9 Except as otherwise provided in this Section, "limiting  
10 rate" means a fraction the numerator of which is the last  
11 preceding aggregate extension base times an amount equal to one  
12 plus the extension limitation defined in this Section and the  
13 denominator of which is the current year's equalized assessed  
14 value of all real property in the territory under the  
15 jurisdiction of the taxing district during the prior levy year.  
16 For those taxing districts that reduced their aggregate  
17 extension for the last preceding levy year, except for school  
18 districts that reduced their extension for educational  
19 purposes pursuant to Section 18-206, the highest aggregate  
20 extension in any of the last 3 preceding levy years shall be  
21 used for the purpose of computing the limiting rate. The  
22 denominator shall not include new property or the recovered tax  
23 increment value. If a new rate, a rate decrease, or a limiting  
24 rate increase has been approved at an election held after March  
25 21, 2006, then (i) the otherwise applicable limiting rate shall  
26 be increased by the amount of the new rate or shall be reduced

1 by the amount of the rate decrease, as the case may be, or (ii)  
2 in the case of a limiting rate increase, the limiting rate  
3 shall be equal to the rate set forth in the proposition  
4 approved by the voters for each of the years specified in the  
5 proposition, after which the limiting rate of the taxing  
6 district shall be calculated as otherwise provided. In the case  
7 of a taxing district that obtained referendum approval for an  
8 increased limiting rate on March 20, 2012, the limiting rate  
9 for tax year 2012 shall be the rate that generates the  
10 approximate total amount of taxes extendable for that tax year,  
11 as set forth in the proposition approved by the voters; this  
12 rate shall be the final rate applied by the county clerk for  
13 the aggregate of all capped funds of the district for tax year  
14 2012.

15 (Source: P.A. 99-143, eff. 7-27-15; 99-521, eff. 6-1-17;  
16 100-465, eff. 8-31-17.)

17 (35 ILCS 200/18-205)

18 Sec. 18-205. Referendum to increase the extension  
19 limitation. A taxing district is limited to an extension  
20 limitation as provided in Section 18-185 ~~of 5% or the~~  
21 ~~percentage increase in the Consumer Price Index during the~~  
22 ~~12-month calendar year preceding the levy year, whichever is~~  
23 ~~less~~. A taxing district may increase its extension limitation  
24 for one or more levy years if that taxing district holds a  
25 referendum before the levy date for the first levy year at

1 which a majority of voters voting on the issue approves  
2 adoption of a higher extension limitation. Referenda shall be  
3 conducted at a regularly scheduled election in accordance with  
4 the Election Code. The question shall be presented in  
5 substantially the following manner for all elections held after  
6 March 21, 2006:

7           Shall the extension limitation under the Property Tax  
8 Extension Limitation Law for (insert the legal name,  
9 number, if any, and county or counties of the taxing  
10 district and geographic or other common name by which a  
11 school or community college district is known and referred  
12 to), Illinois, be increased from the (applicable extension  
13 limitation) ~~lesser of 5% or the percentage increase in the~~  
14 ~~Consumer Price Index over the prior levy year~~ to (insert  
15 the percentage of the proposed increase)% per year for  
16 (insert each levy year for which the increased extension  
17 limitation will apply)?

18 The votes must be recorded as "Yes" or "No".

19 If a majority of voters voting on the issue approves the  
20 adoption of the increase, the increase shall be applicable for  
21 each levy year specified.

22           The ballot for any question submitted pursuant to this  
23 Section shall have printed thereon, but not as a part of the  
24 question submitted, only the following supplemental  
25 information (which shall be supplied to the election authority  
26 by the taxing district) in substantially the following form:

1           (1) For the (insert the first levy year for which the  
2           increased extension limitation will be applicable) levy  
3           year the approximate amount of the additional tax  
4           extendable against property containing a single family  
5           residence and having a fair market value at the time of the  
6           referendum of \$100,000 is estimated to be \$....

7           (2) Based upon an average annual percentage increase  
8           (or decrease) in the market value of such property of ...%  
9           (insert percentage equal to the average annual percentage  
10          increase or decrease for the prior 3 levy years, at the  
11          time the submission of the question is initiated by the  
12          taxing district, in the amount of (A) the equalized  
13          assessed value of the taxable property in the taxing  
14          district less (B) the new property included in the  
15          equalized assessed value), the approximate amount of the  
16          additional tax extendable against such property for the ...  
17          levy year is estimated to be \$... and for the ... levy year  
18          is estimated to be \$....

19          Paragraph (2) shall be included only if the increased  
20          extension limitation will be applicable for more than one year  
21          and shall list each levy year for which the increased extension  
22          limitation will be applicable. The additional tax shown for  
23          each levy year shall be the approximate dollar amount of the  
24          increase over the amount of the most recently completed  
25          extension at the time the submission of the question is  
26          initiated by the taxing district. The approximate amount of the

1 additional tax extendable shown in paragraphs (1) and (2) shall  
2 be calculated by multiplying \$100,000 (the fair market value of  
3 the property without regard to any property tax exemptions) by  
4 (i) the percentage level of assessment prescribed for that  
5 property by statute, or by ordinance of the county board in  
6 counties that classify property for purposes of taxation in  
7 accordance with Section 4 of Article IX of the Illinois  
8 Constitution; (ii) the most recent final equalization factor  
9 certified to the county clerk by the Department of Revenue at  
10 the time the taxing district initiates the submission of the  
11 proposition to the electors; (iii) the last known aggregate  
12 extension base of the taxing district at the time the  
13 submission of the question is initiated by the taxing district;  
14 and (iv) the difference between the percentage increase  
15 proposed in the question and the applicable extension  
16 limitation under Section 18-185 ~~lesser of 5% or the percentage~~  
17 ~~increase in the Consumer Price Index for the prior levy year~~  
18 ~~(or an estimate of the percentage increase for the prior levy~~  
19 ~~year if the increase is unavailable at the time the submission~~  
20 ~~of the question is initiated by the taxing district); and~~  
21 dividing the result by the last known equalized assessed value  
22 of the taxing district at the time the submission of the  
23 question is initiated by the taxing district. This amendatory  
24 Act of the 97th General Assembly is intended to clarify the  
25 existing requirements of this Section, and shall not be  
26 construed to validate any prior non-compliant referendum

1 language. Any notice required to be published in connection  
2 with the submission of the question shall also contain this  
3 supplemental information and shall not contain any other  
4 supplemental information. Any error, miscalculation, or  
5 inaccuracy in computing any amount set forth on the ballot or  
6 in the notice that is not deliberate shall not invalidate or  
7 affect the validity of any proposition approved. Notice of the  
8 referendum shall be published and posted as otherwise required  
9 by law, and the submission of the question shall be initiated  
10 as provided by law.

11 (Source: P.A. 97-1087, eff. 8-24-12.)

12 Section 99. Effective date. This Act takes effect upon  
13 becoming law.