



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB4517

Introduced 2/4/2020, by Rep. Rita Mayfield

SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-163 new

Amends the Property Tax Code. Provides that the aggregate tax rate extended against taxable real property by any taxing district may not exceed 105% of the aggregate tax rate extended by the taxing district in the previous levy year unless the increase is approved by referendum. Sets forth provisions concerning new taxing districts and taxing districts with an aggregate tax rate of zero in the previous levy year. Preempts home rule powers.

LRB101 15457 HLH 64790 b

FISCAL NOTE ACT
MAY APPLY

HOME RULE 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 18-163 as follows:

6 (35 ILCS 200/18-163 new)

7 Sec. 18-163. Rate cap.

8 (a) Notwithstanding any other provision of law, and except
9 as provided in subsection (b), the aggregate tax rate extended
10 against taxable real property by any taxing district may not
11 exceed 105% of the aggregate tax rate extended by the taxing
12 district in the previous levy year. In the case of a taxing
13 district that is subject to the Property Tax Extension
14 Limitation Law, the rate extended against taxable residential
15 real property for the annual corporate extension and those
16 special purpose extensions included in the taxing district's
17 aggregate extension, as defined in Section 18-185, shall not
18 exceed the lesser of (i) the maximum rate calculated under this
19 Section for those extensions or (ii) the limiting rate under
20 the Property Tax Extension Limitation Law.

21 (b) A new taxing district or a taxing district with an
22 aggregate tax rate of zero in the previous levy year shall hold
23 a referendum establishing a maximum tax rate for the levy year.

1 The maximum tax rate is established for the current levy year
2 if a taxing district has held a referendum before the levy date
3 at which the majority voting on the issue approves its
4 adoption. The referendum under this Section may be held at the
5 same time as the referendum on creating a new taxing district.
6 The question shall be submitted to the voters at a regularly
7 scheduled election in accordance with the Election Code. The
8 question shall be submitted in substantially the following
9 form:

10 May an aggregate tax rate not to exceed (aggregate tax
11 rate) be extended against taxable property in (taxing
12 district) for (levy year)?

13 Votes shall be recorded as "Yes" or "No". If a majority of
14 voters voting on the issue approves the maximum tax rate, then
15 the district may adopt a tax rate for the levy year specified
16 that does not exceed that maximum tax rate.

17 (c) A taxing district may increase its maximum tax rate for
18 one or more levy years if that taxing district holds a
19 referendum before the levy date for the first levy year for
20 which the increase shall apply. Referenda shall be conducted at
21 a regularly scheduled election in accordance with the Election
22 Code. The question shall be submitted in substantially the
23 following form:

24 Shall the maximum aggregate tax rate for (taxing
25 district) be increased from (statutory maximum rate) to
26 (proposed maximum rate) for (levy year or years)?

1 Votes shall be recorded as "Yes" or "No". If a majority of
2 voters voting on the issue approves the maximum tax rate, then
3 the district may adopt a tax rate for the levy year specified
4 that does not exceed that maximum tax rate.

5 (d) This Section is a denial and limitation on home rule
6 powers and functions under subsection (g) of Section 6 of
7 Article VII of the Illinois Constitution.