



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

HB5043

Introduced 2/18/2020, by Rep. Grant Wehrli

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-165  
35 ILCS 200/18-185  
35 ILCS 200/18-233 new

Amends the Property Tax Code. Provides that any taxing district may abate any portion of its taxes in any given year when the initial levy request for that year has subsequently been found to be in excess of the funds required for that year. Provides that any such abatement shall be included in the district's aggregate extension base for purposes of the Property Tax Extension Limitation Law. Provides for a supplemental levy if the issuance of a certificate of error, a court order, or a final administrative decision of the Property Tax Appeal Board results in a refund from the taxing district of a portion of the property tax revenue distributed to the taxing district. Effective immediately.

LRB101 20586 HLH 70213 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 18-165 and 18-185 and by adding Section 18-233 as  
6 follows:

7 (35 ILCS 200/18-165)

8 Sec. 18-165. Abatement of taxes.

9 (a) Any taxing district, upon a majority vote of its  
10 governing authority, may, after the determination of the  
11 assessed valuation of its property, order the clerk of that  
12 county to abate any portion of its taxes on the following types  
13 of property:

14 (1) Commercial and industrial.

15 (A) The property of any commercial or industrial  
16 firm, including but not limited to the property of (i)  
17 any firm that is used for collecting, separating,  
18 storing, or processing recyclable materials, locating  
19 within the taxing district during the immediately  
20 preceding year from another state, territory, or  
21 country, or having been newly created within this State  
22 during the immediately preceding year, or expanding an  
23 existing facility, or (ii) any firm that is used for

1 the generation and transmission of electricity  
2 locating within the taxing district during the  
3 immediately preceding year or expanding its presence  
4 within the taxing district during the immediately  
5 preceding year by construction of a new electric  
6 generating facility that uses natural gas as its fuel,  
7 or any firm that is used for production operations at a  
8 new, expanded, or reopened coal mine within the taxing  
9 district, that has been certified as a High Impact  
10 Business by the Illinois Department of Commerce and  
11 Economic Opportunity. The property of any firm used for  
12 the generation and transmission of electricity shall  
13 include all property of the firm used for transmission  
14 facilities as defined in Section 5.5 of the Illinois  
15 Enterprise Zone Act. The abatement shall not exceed a  
16 period of 10 years and the aggregate amount of abated  
17 taxes for all taxing districts combined shall not  
18 exceed \$4,000,000.

19 (A-5) Any property in the taxing district of a new  
20 electric generating facility, as defined in Section  
21 605-332 of the Department of Commerce and Economic  
22 Opportunity Law of the Civil Administrative Code of  
23 Illinois. The abatement shall not exceed a period of 10  
24 years. The abatement shall be subject to the following  
25 limitations:

26 (i) if the equalized assessed valuation of the

1 new electric generating facility is equal to or  
2 greater than \$25,000,000 but less than  
3 \$50,000,000, then the abatement may not exceed (i)  
4 over the entire term of the abatement, 5% of the  
5 taxing district's aggregate taxes from the new  
6 electric generating facility and (ii) in any one  
7 year of abatement, 20% of the taxing district's  
8 taxes from the new electric generating facility;

9 (ii) if the equalized assessed valuation of  
10 the new electric generating facility is equal to or  
11 greater than \$50,000,000 but less than  
12 \$75,000,000, then the abatement may not exceed (i)  
13 over the entire term of the abatement, 10% of the  
14 taxing district's aggregate taxes from the new  
15 electric generating facility and (ii) in any one  
16 year of abatement, 35% of the taxing district's  
17 taxes from the new electric generating facility;

18 (iii) if the equalized assessed valuation of  
19 the new electric generating facility is equal to or  
20 greater than \$75,000,000 but less than  
21 \$100,000,000, then the abatement may not exceed  
22 (i) over the entire term of the abatement, 20% of  
23 the taxing district's aggregate taxes from the new  
24 electric generating facility and (ii) in any one  
25 year of abatement, 50% of the taxing district's  
26 taxes from the new electric generating facility;

1           (iv) if the equalized assessed valuation of  
2           the new electric generating facility is equal to or  
3           greater than \$100,000,000 but less than  
4           \$125,000,000, then the abatement may not exceed  
5           (i) over the entire term of the abatement, 30% of  
6           the taxing district's aggregate taxes from the new  
7           electric generating facility and (ii) in any one  
8           year of abatement, 60% of the taxing district's  
9           taxes from the new electric generating facility;

10          (v) if the equalized assessed valuation of the  
11          new electric generating facility is equal to or  
12          greater than \$125,000,000 but less than  
13          \$150,000,000, then the abatement may not exceed  
14          (i) over the entire term of the abatement, 40% of  
15          the taxing district's aggregate taxes from the new  
16          electric generating facility and (ii) in any one  
17          year of abatement, 60% of the taxing district's  
18          taxes from the new electric generating facility;

19          (vi) if the equalized assessed valuation of  
20          the new electric generating facility is equal to or  
21          greater than \$150,000,000, then the abatement may  
22          not exceed (i) over the entire term of the  
23          abatement, 50% of the taxing district's aggregate  
24          taxes from the new electric generating facility  
25          and (ii) in any one year of abatement, 60% of the  
26          taxing district's taxes from the new electric

1           generating facility.

2           The abatement is not effective unless the owner of  
3           the new electric generating facility agrees to repay to  
4           the taxing district all amounts previously abated,  
5           together with interest computed at the rate and in the  
6           manner provided for delinquent taxes, in the event that  
7           the owner of the new electric generating facility  
8           closes the new electric generating facility before the  
9           expiration of the entire term of the abatement.

10          The authorization of taxing districts to abate  
11          taxes under this subdivision (a)(1)(A-5) expires on  
12          January 1, 2010.

13          (B) The property of any commercial or industrial  
14          development of at least (i) 500 acres or (ii) 225 acres  
15          in the case of a commercial or industrial development  
16          that applies for and is granted designation as a High  
17          Impact Business under paragraph (F) of item (3) of  
18          subsection (a) of Section 5.5 of the Illinois  
19          Enterprise Zone Act, having been created within the  
20          taxing district. The abatement shall not exceed a  
21          period of 20 years and the aggregate amount of abated  
22          taxes for all taxing districts combined shall not  
23          exceed \$12,000,000.

24          (C) The property of any commercial or industrial  
25          firm currently located in the taxing district that  
26          expands a facility or its number of employees. The

1           abatement shall not exceed a period of 10 years and the  
2           aggregate amount of abated taxes for all taxing  
3           districts combined shall not exceed \$4,000,000. The  
4           abatement period may be renewed at the option of the  
5           taxing districts.

6           (2) Horse racing. Any property in the taxing district  
7           which is used for the racing of horses and upon which  
8           capital improvements consisting of expansion, improvement  
9           or replacement of existing facilities have been made since  
10          July 1, 1987. The combined abatements for such property  
11          from all taxing districts in any county shall not exceed  
12          \$5,000,000 annually and shall not exceed a period of 10  
13          years.

14          (3) Auto racing. Any property designed exclusively for  
15          the racing of motor vehicles. Such abatement shall not  
16          exceed a period of 10 years.

17          (4) Academic or research institute. The property of any  
18          academic or research institute in the taxing district that  
19          (i) is an exempt organization under paragraph (3) of  
20          Section 501(c) of the Internal Revenue Code, (ii) operates  
21          for the benefit of the public by actually and exclusively  
22          performing scientific research and making the results of  
23          the research available to the interested public on a  
24          non-discriminatory basis, and (iii) employs more than 100  
25          employees. An abatement granted under this paragraph shall  
26          be for at least 15 years and the aggregate amount of abated

1 taxes for all taxing districts combined shall not exceed  
2 \$5,000,000.

3 (5) Housing for older persons. Any property in the  
4 taxing district that is devoted exclusively to affordable  
5 housing for older households. For purposes of this  
6 paragraph, "older households" means those households (i)  
7 living in housing provided under any State or federal  
8 program that the Department of Human Rights determines is  
9 specifically designed and operated to assist elderly  
10 persons and is solely occupied by persons 55 years of age  
11 or older and (ii) whose annual income does not exceed 80%  
12 of the area gross median income, adjusted for family size,  
13 as such gross income and median income are determined from  
14 time to time by the United States Department of Housing and  
15 Urban Development. The abatement shall not exceed a period  
16 of 15 years, and the aggregate amount of abated taxes for  
17 all taxing districts shall not exceed \$3,000,000.

18 (6) Historical society. For assessment years 1998  
19 through 2018, the property of an historical society  
20 qualifying as an exempt organization under Section  
21 501(c)(3) of the federal Internal Revenue Code.

22 (7) Recreational facilities. Any property in the  
23 taxing district (i) that is used for a municipal airport,  
24 (ii) that is subject to a leasehold assessment under  
25 Section 9-195 of this Code and (iii) which is sublet from a  
26 park district that is leasing the property from a



1           municipality, but only if the property is used exclusively  
2           for recreational facilities or for parking lots used  
3           exclusively for those facilities. The abatement shall not  
4           exceed a period of 10 years.

5           (8) Relocated corporate headquarters. If approval  
6           occurs within 5 years after the effective date of this  
7           amendatory Act of the 92nd General Assembly, any property  
8           or a portion of any property in a taxing district that is  
9           used by an eligible business for a corporate headquarters  
10          as defined in the Corporate Headquarters Relocation Act.  
11          Instead of an abatement under this paragraph (8), a taxing  
12          district may enter into an agreement with an eligible  
13          business to make annual payments to that eligible business  
14          in an amount not to exceed the property taxes paid directly  
15          or indirectly by that eligible business to the taxing  
16          district and any other taxing districts for premises  
17          occupied pursuant to a written lease and may make those  
18          payments without the need for an annual appropriation. No  
19          school district, however, may enter into an agreement with,  
20          or abate taxes for, an eligible business unless the  
21          municipality in which the corporate headquarters is  
22          located agrees to provide funding to the school district in  
23          an amount equal to the amount abated or paid by the school  
24          district as provided in this paragraph (8). Any abatement  
25          ordered or agreement entered into under this paragraph (8)  
26          may be effective for the entire term specified by the

1 taxing district, except the term of the abatement or annual  
2 payments may not exceed 20 years.

3 (9) United States Military Public/Private Residential  
4 Developments. Each building, structure, or other  
5 improvement designed, financed, constructed, renovated,  
6 managed, operated, or maintained after January 1, 2006  
7 under a "PPV Lease", as set forth under Division 14 of  
8 Article 10, and any such PPV Lease.

9 (10) Property located in a business corridor that  
10 qualifies for an abatement under Section 18-184.10.

11 (11) Under Section 11-15.4-25 of the Illinois  
12 Municipal Code, property located within an urban  
13 agricultural area that is used by a qualifying farmer for  
14 processing, growing, raising, or otherwise producing  
15 agricultural products.

16 (b) Upon a majority vote of its governing authority, any  
17 municipality may, after the determination of the assessed  
18 valuation of its property, order the county clerk to abate any  
19 portion of its taxes on any property that is located within the  
20 corporate limits of the municipality in accordance with Section  
21 8-3-18 of the Illinois Municipal Code.

22 (c) Any taxing district may, upon a majority vote of its  
23 governing authority and after the determination of the assessed  
24 valuation of its property, order the clerk of that county to  
25 abate any portion of its taxes in any given year when the  
26 initial levy request for that year has subsequently been found

1 to be in excess of the funds required for that year. In  
2 counties subject to the Property Tax Extension Limitation Law,  
3 any such abatement of taxes under this subsection shall be  
4 included in the aggregate extension base for the subsequent tax  
5 year.

6 (Source: P.A. 100-1133, eff. 1-1-19.)

7 (35 ILCS 200/18-185)

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

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

14 "Extension limitation" means (a) the lesser of 5% or the  
15 percentage increase in the Consumer Price Index during the  
16 12-month calendar year preceding the levy year or (b) the rate  
17 of increase approved by voters under Section 18-205.

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

1 contiguous to a county with 3,000,000 or more inhabitants.  
2 Beginning with the 1995 levy year, "taxing district" includes  
3 only each non-home rule taxing district subject to this Law  
4 before the 1995 levy year and each non-home rule taxing  
5 district not subject to this Law before the 1995 levy year  
6 having the majority of its 1994 equalized assessed value in an  
7 affected county or counties. Beginning with the levy year in  
8 which this Law becomes applicable to a taxing district as  
9 provided in Section 18-213, "taxing district" also includes  
10 those taxing districts made subject to this Law as provided in  
11 Section 18-213.

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

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

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

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

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

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



1 with disabilities under subsection (c) of Section 7.06 of the  
2 Chicago Park District Act; (p) made for contributions to a  
3 firefighter's pension fund created under Article 4 of the  
4 Illinois Pension Code, to the extent of the amount certified  
5 under item (5) of Section 4-134 of the Illinois Pension Code;  
6 (q) made by Ford Heights School District 169 under Section  
7 17-9.02 of the School Code; and (r) made for the purpose of  
8 making employer contributions to the Public School Teachers'  
9 Pension and Retirement Fund of Chicago under Section 34-53 of  
10 the School Code.

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

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

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

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

1 approved by referendum; (b) made for any taxing district to pay  
2 interest or principal on general obligation bonds issued before  
3 March 7, 1997 (the effective date of Public Act 89-718) ~~this~~  
4 ~~amendatory Act of 1997~~; (c) made for any taxing district to pay  
5 interest or principal on bonds issued to refund or continue to  
6 refund those bonds issued before March 7, 1997 (the effective  
7 date of Public Act 89-718) ~~this amendatory Act of 1997~~; (d)  
8 made for any taxing district to pay interest or principal on  
9 bonds issued to refund or continue to refund bonds issued after  
10 March 7, 1997 (the effective date of Public Act 89-718) ~~this~~  
11 ~~amendatory Act of 1997~~ if the bonds were approved by referendum  
12 after March 7, 1997 (the effective date of Public Act 89-718)  
13 ~~this amendatory Act of 1997~~; (e) made for any taxing district  
14 to pay interest or principal on revenue bonds issued before  
15 March 7, 1997 (the effective date of Public Act 89-718) ~~this~~  
16 ~~amendatory Act of 1997~~ for payment of which a property tax levy  
17 or the full faith and credit of the unit of local government is  
18 pledged; however, a tax for the payment of interest or  
19 principal on those bonds shall be made only after the governing  
20 body of the unit of local government finds that all other  
21 sources for payment are insufficient to make those payments;  
22 (f) made for payments under a building commission lease when  
23 the lease payments are for the retirement of bonds issued by  
24 the commission before March 7, 1997 (the effective date of  
25 Public Act 89-718) ~~this amendatory Act of 1997~~ to pay for the  
26 building project; (g) made for payments due under installment

1 contracts entered into before March 7, 1997 (the effective date  
2 of Public Act 89-718) ~~this amendatory Act of 1997~~; (h) made for  
3 payments of principal and interest on limited bonds, as defined  
4 in Section 3 of the Local Government Debt Reform Act, in an  
5 amount not to exceed the debt service extension base less the  
6 amount in items (b), (c), and (e) of this definition for  
7 non-referendum obligations, except obligations initially  
8 issued pursuant to referendum; (i) made for payments of  
9 principal and interest on bonds issued under Section 15 of the  
10 Local Government Debt Reform Act; (j) made for a qualified  
11 airport authority to pay interest or principal on general  
12 obligation bonds issued for the purpose of paying obligations  
13 due under, or financing airport facilities required to be  
14 acquired, constructed, installed or equipped pursuant to,  
15 contracts entered into before March 1, 1996 (but not including  
16 any amendments to such a contract taking effect on or after  
17 that date); (k) made to fund expenses of providing joint  
18 recreational programs for persons with disabilities under  
19 Section 5-8 of the Park District Code or Section 11-95-14 of  
20 the Illinois Municipal Code; and (l) made for contributions to  
21 a firefighter's pension fund created under Article 4 of the  
22 Illinois Pension Code, to the extent of the amount certified  
23 under item (5) of Section 4-134 of the Illinois Pension Code.

24 "Debt service extension base" means an amount equal to that  
25 portion of the extension for a taxing district for the 1994  
26 levy year, or for those taxing districts subject to this Law in

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

1 to the taxing district, by the lesser of 5% or the percentage  
2 increase in the Consumer Price Index during the 12-month  
3 calendar year preceding the levy year. The debt service  
4 extension base may be established or increased as provided  
5 under Section 18-212. "Excluded non-referendum bonds" means  
6 (i) bonds authorized by Public Act 88-503 and issued under  
7 Section 20a of the Chicago Park District Act for aquarium and  
8 museum projects; (ii) bonds issued under Section 15 of the  
9 Local Government Debt Reform Act; or (iii) refunding  
10 obligations issued to refund or to continue to refund  
11 obligations initially issued pursuant to referendum.

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

20 "Aggregate extension base" means the taxing district's  
21 last preceding aggregate extension, as adjusted under Sections  
22 18-135, 18-215, 18-230, ~~and 18-206,~~ and 18-233, plus the amount  
23 of any abatement granted in the last preceding levy year under  
24 subsection (c) of Section 18-165. An adjustment under Section  
25 18-135 shall be made for the 2007 levy year and all subsequent  
26 levy years whenever one or more counties within which a taxing

1 district is located (i) used estimated valuations or rates when  
2 extending taxes in the taxing district for the last preceding  
3 levy year that resulted in the over or under extension of  
4 taxes, or (ii) increased or decreased the tax extension for the  
5 last preceding levy year as required by Section 18-135(c).  
6 Whenever an adjustment is required under Section 18-135, the  
7 aggregate extension base of the taxing district shall be equal  
8 to the amount that the aggregate extension of the taxing  
9 district would have been for the last preceding levy year if  
10 either or both (i) actual, rather than estimated, valuations or  
11 rates had been used to calculate the extension of taxes for the  
12 last levy year, or (ii) the tax extension for the last  
13 preceding levy year had not been adjusted as required by  
14 subsection (c) of Section 18-135. Whenever an adjustment is  
15 required under Section 18-233, the aggregate extension base of  
16 the taxing district shall be equal to the amount that the  
17 aggregate extension of the taxing district would have been for  
18 the last preceding levy year if the actual valuations and  
19 rates, as adjusted for the increases or reductions specified in  
20 Section 18-233, had been used to calculate the extension of  
21 taxes for the levy year in which the overextension or  
22 underextension occurred.

23 Notwithstanding any other provision of law, for levy year  
24 2012, the aggregate extension base for West Northfield School  
25 District No. 31 in Cook County shall be \$12,654,592.

26 "Levy year" has the same meaning as "year" under Section



1 1-155.

2 "New property" means (i) the assessed value, after final  
3 board of review or board of appeals action, of new improvements  
4 or additions to existing improvements on any parcel of real  
5 property that increase the assessed value of that real property  
6 during the levy year multiplied by the equalization factor  
7 issued by the Department under Section 17-30, (ii) the assessed  
8 value, after final board of review or board of appeals action,  
9 of real property not exempt from real estate taxation, which  
10 real property was exempt from real estate taxation for any  
11 portion of the immediately preceding levy year, multiplied by  
12 the equalization factor issued by the Department under Section  
13 17-30, including the assessed value, upon final stabilization  
14 of occupancy after new construction is complete, of any real  
15 property located within the boundaries of an otherwise or  
16 previously exempt military reservation that is intended for  
17 residential use and owned by or leased to a private corporation  
18 or other entity, (iii) in counties that classify in accordance  
19 with Section 4 of Article IX of the Illinois Constitution, an  
20 incentive property's additional assessed value resulting from  
21 a scheduled increase in the level of assessment as applied to  
22 the first year final board of review market value, and (iv) any  
23 increase in assessed value due to oil or gas production from an  
24 oil or gas well required to be permitted under the Hydraulic  
25 Fracturing Regulatory Act that was not produced in or accounted  
26 for during the previous levy year. In addition, the county

1 clerk in a county containing a population of 3,000,000 or more  
2 shall include in the 1997 recovered tax increment value for any  
3 school district, any recovered tax increment value that was  
4 applicable to the 1995 tax year calculations.

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

9 "Recovered tax increment value" means, except as otherwise  
10 provided in this paragraph, the amount of the current year's  
11 equalized assessed value, in the first year after a  
12 municipality terminates the designation of an area as a  
13 redevelopment project area previously established under the  
14 Tax Increment Allocation Redevelopment ~~Development~~ Act in the  
15 Illinois Municipal Code, previously established under the  
16 Industrial Jobs Recovery Law in the Illinois Municipal Code,  
17 previously established under the Economic Development Project  
18 Area Tax Increment Act of 1995, or previously established under  
19 the Economic Development Area Tax Increment Allocation Act, of  
20 each taxable lot, block, tract, or parcel of real property in  
21 the redevelopment project area over and above the initial  
22 equalized assessed value of each property in the redevelopment  
23 project area. For the taxes which are extended for the 1997  
24 levy year, the recovered tax increment value for a non-home  
25 rule taxing district that first became subject to this Law for  
26 the 1995 levy year because a majority of its 1994 equalized

1 assessed value was in an affected county or counties shall be  
2 increased if a municipality terminated the designation of an  
3 area in 1993 as a redevelopment project area previously  
4 established under the Tax Increment Allocation Redevelopment  
5 ~~Development~~ Act in the Illinois Municipal Code, previously  
6 established under the Industrial Jobs Recovery Law in the  
7 Illinois Municipal Code, or previously established under the  
8 Economic Development Area Tax Increment Allocation Act, by an  
9 amount equal to the 1994 equalized assessed value of each  
10 taxable lot, block, tract, or parcel of real property in the  
11 redevelopment project area over and above the initial equalized  
12 assessed value of each property in the redevelopment project  
13 area. In the first year after a municipality removes a taxable  
14 lot, block, tract, or parcel of real property from a  
15 redevelopment project area established under the Tax Increment  
16 Allocation Redevelopment ~~Development~~ Act in the Illinois  
17 Municipal Code, the Industrial Jobs Recovery Law in the  
18 Illinois Municipal Code, or the Economic Development Area Tax  
19 Increment Allocation Act, "recovered tax increment value"  
20 means the amount of the current year's equalized assessed value  
21 of each taxable lot, block, tract, or parcel of real property  
22 removed from the redevelopment project area over and above the  
23 initial equalized assessed value of that real property before  
24 removal from the redevelopment project area.

25 Except as otherwise provided in this Section, "limiting  
26 rate" means a fraction the numerator of which is the last

1 preceding aggregate extension base times an amount equal to one  
2 plus the extension limitation defined in this Section and the  
3 denominator of which is the current year's equalized assessed  
4 value of all real property in the territory under the  
5 jurisdiction of the taxing district during the prior levy year.  
6 For those taxing districts that reduced their aggregate  
7 extension for the last preceding levy year, except for school  
8 districts that reduced their extension for educational  
9 purposes pursuant to Section 18-206, the highest aggregate  
10 extension in any of the last 3 preceding levy years shall be  
11 used for the purpose of computing the limiting rate. The  
12 denominator shall not include new property or the recovered tax  
13 increment value. If a new rate, a rate decrease, or a limiting  
14 rate increase has been approved at an election held after March  
15 21, 2006, then (i) the otherwise applicable limiting rate shall  
16 be increased by the amount of the new rate or shall be reduced  
17 by the amount of the rate decrease, as the case may be, or (ii)  
18 in the case of a limiting rate increase, the limiting rate  
19 shall be equal to the rate set forth in the proposition  
20 approved by the voters for each of the years specified in the  
21 proposition, after which the limiting rate of the taxing  
22 district shall be calculated as otherwise provided. In the case  
23 of a taxing district that obtained referendum approval for an  
24 increased limiting rate on March 20, 2012, the limiting rate  
25 for tax year 2012 shall be the rate that generates the  
26 approximate total amount of taxes extendable for that tax year,

1 as set forth in the proposition approved by the voters; this  
2 rate shall be the final rate applied by the county clerk for  
3 the aggregate of all capped funds of the district for tax year  
4 2012.

5 (Source: P.A. 99-143, eff. 7-27-15; 99-521, eff. 6-1-17;  
6 100-465, eff. 8-31-17; revised 8-12-19.)

7 (35 ILCS 200/18-233 new)

8 Sec. 18-233. Adjustments for certificates of error,  
9 certain court orders, or final administrative decisions of the  
10 Property Tax Appeal Board. Beginning in levy year 2020, a  
11 taxing district levy shall be increased by a prior year  
12 adjustment whenever an assessment decrease due to the issuance  
13 of a certificate of error, a court order issued pursuant to an  
14 assessment valuation complaint under Section 23-15, or a final  
15 administrative decision of the Property Tax Appeal Board  
16 results in a refund from the taxing district of a portion of  
17 the property tax revenue distributed to the taxing district.  
18 Whenever an adjustment is required under this Section, the  
19 aggregate levy of the taxing district shall be increased by a  
20 supplemental levy to recapture the property tax revenue lost by  
21 the refunds paid by the taxing district. The supplemental levy  
22 shall be applied by the county clerk annually to the taxing  
23 district's total levy in an amount determined by the county  
24 treasurer who shall certify to the county clerk the aggregate  
25 refunds paid by a taxing district for purposes of this Section.

1 The supplemental levy may not exceed an amount equal to the  
2 aggregate refunds paid by the taxing district for the 12-month  
3 period prior to November 1 of each year. On or before November  
4 15 of each year, the county treasurer shall certify the  
5 aggregate refunds paid by a taxing district during such  
6 12-month period for purposes of this Section. For purposes of  
7 this Division, the taxing district's aggregate extension base  
8 shall not include the supplemental levy authorized under this  
9 Section.

10 Section 99. Effective date. This Act takes effect upon  
11 becoming law.