



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

HB5426

by Rep. Grant Wehrli

#### SYNOPSIS AS INTRODUCED:

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

Amends the Property Tax Code to provide that a taxing district may order the county clerk to abate any portion of its taxes when its initial levy request 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. Effective immediately.

LRB101 16158 HLH 65526 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 as follows:

6 (35 ILCS 200/18-165)

7 Sec. 18-165. Abatement of taxes.

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

13 (1) Commercial and industrial.

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

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

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

25                         (i) if the equalized assessed valuation of the  
26                         new electric generating facility is equal to or

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

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

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

26 (iv) if the equalized assessed valuation of

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

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

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

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

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

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

23          (C) The property of any commercial or industrial  
24          firm currently located in the taxing district that  
25          expands a facility or its number of employees. The  
26          abatement shall not exceed a period of 10 years and the

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

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

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

16 (4) Academic or research institute. The property of any  
17 academic or research institute in the taxing district that  
18 (i) is an exempt organization under paragraph (3) of  
19 Section 501(c) of the Internal Revenue Code, (ii) operates  
20 for the benefit of the public by actually and exclusively  
21 performing scientific research and making the results of  
22 the research available to the interested public on a  
23 non-discriminatory basis, and (iii) employs more than 100  
24 employees. An abatement granted under this paragraph shall  
25 be for at least 15 years and the aggregate amount of abated  
26 taxes for all taxing districts combined shall not exceed

1           \$5,000,000.

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

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

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



1 for recreational facilities or for parking lots used  
2 exclusively for those facilities. The abatement shall not  
3 exceed a period of 10 years.

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

1 payments may not exceed 20 years.

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

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

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

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

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

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

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

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

20 "Taxing district" has the same meaning provided in Section  
21 1-150, except as otherwise provided in this Section. For the  
22 1991 through 1994 levy years only, "taxing district" includes  
23 only each non-home rule taxing district having the majority of  
24 its 1990 equalized assessed value within any county or counties  
25 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 March 7, 1997 (the effective date of Public Act 89-718) ~~this~~  
3 ~~amendatory Act of 1997~~; (c) made for any taxing district to pay  
4 interest or principal on bonds issued to refund or continue to  
5 refund those bonds issued before March 7, 1997 (the effective  
6 date of Public Act 89-718) ~~this amendatory Act of 1997~~; (d)  
7 made for any taxing district to pay interest or principal on  
8 bonds issued to refund or continue to refund bonds issued after  
9 March 7, 1997 (the effective date of Public Act 89-718) ~~this~~  
10 ~~amendatory Act of 1997~~ if the bonds were approved by referendum  
11 after March 7, 1997 (the effective date of Public Act 89-718)  
12 ~~this amendatory Act of 1997~~; (e) made for any taxing district  
13 to pay interest or principal on revenue bonds issued before  
14 March 7, 1997 (the effective date of Public Act 89-718) ~~this~~  
15 ~~amendatory Act of 1997~~ for payment of which a property tax levy  
16 or the full faith and credit of the unit of local government is  
17 pledged; however, a tax for the payment of interest or  
18 principal on those bonds shall be made only after the governing  
19 body of the unit of local government finds that all other  
20 sources for payment are insufficient to make those payments;  
21 (f) made for payments under a building commission lease when  
22 the lease payments are for the retirement of bonds issued by  
23 the commission before March 7, 1997 (the effective date of  
24 Public Act 89-718) ~~this amendatory Act of 1997~~ to pay for the  
25 building project; (g) made for payments due under installment  
26 contracts entered into before March 7, 1997 (the effective date

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

23 "Debt service extension base" means an amount equal to that  
24 portion of the extension for a taxing district for the 1994  
25 levy year, or for those taxing districts subject to this Law in  
26 accordance with Section 18-213, except for those subject to

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

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

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

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

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

14 Notwithstanding any other provision of law, for levy year  
15 2012, the aggregate extension base for West Northfield School  
16 District No. 31 in Cook County shall be \$12,654,592.

17 "Levy year" has the same meaning as "year" under Section  
18 1-155.

19 "New property" means (i) the assessed value, after final  
20 board of review or board of appeals action, of new improvements  
21 or additions to existing improvements on any parcel of real  
22 property that increase the assessed value of that real property  
23 during the levy year multiplied by the equalization factor  
24 issued by the Department under Section 17-30, (ii) the assessed  
25 value, after final board of review or board of appeals action,  
26 of real property not exempt from real estate taxation, which



1 real property was exempt from real estate taxation for any  
2 portion of the immediately preceding levy year, multiplied by  
3 the equalization factor issued by the Department under Section  
4 17-30, including the assessed value, upon final stabilization  
5 of occupancy after new construction is complete, of any real  
6 property located within the boundaries of an otherwise or  
7 previously exempt military reservation that is intended for  
8 residential use and owned by or leased to a private corporation  
9 or other entity, (iii) in counties that classify in accordance  
10 with Section 4 of Article IX of the Illinois Constitution, an  
11 incentive property's additional assessed value resulting from  
12 a scheduled increase in the level of assessment as applied to  
13 the first year final board of review market value, and (iv) any  
14 increase in assessed value due to oil or gas production from an  
15 oil or gas well required to be permitted under the Hydraulic  
16 Fracturing Regulatory Act that was not produced in or accounted  
17 for during the previous levy year. In addition, the county  
18 clerk in a county containing a population of 3,000,000 or more  
19 shall include in the 1997 recovered tax increment value for any  
20 school district, any recovered tax increment value that was  
21 applicable to the 1995 tax year calculations.

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

26 "Recovered tax increment value" means, except as otherwise

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

1 taxable lot, block, tract, or parcel of real property in the  
2 redevelopment project area over and above the initial equalized  
3 assessed value of each property in the redevelopment project  
4 area. In the first year after a municipality removes a taxable  
5 lot, block, tract, or parcel of real property from a  
6 redevelopment project area established under the Tax Increment  
7 Allocation Redevelopment ~~Development~~ Act in the Illinois  
8 Municipal Code, the Industrial Jobs Recovery Law in the  
9 Illinois Municipal Code, or the Economic Development Area Tax  
10 Increment Allocation Act, "recovered tax increment value"  
11 means the amount of the current year's equalized assessed value  
12 of each taxable lot, block, tract, or parcel of real property  
13 removed from the redevelopment project area over and above the  
14 initial equalized assessed value of that real property before  
15 removal from the redevelopment project area.

16 Except as otherwise provided in this Section, "limiting  
17 rate" means a fraction the numerator of which is the last  
18 preceding aggregate extension base times an amount equal to one  
19 plus the extension limitation defined in this Section and the  
20 denominator of which is the current year's equalized assessed  
21 value of all real property in the territory under the  
22 jurisdiction of the taxing district during the prior levy year.  
23 For those taxing districts that reduced their aggregate  
24 extension for the last preceding levy year, except for school  
25 districts that reduced their extension for educational  
26 purposes pursuant to Section 18-206, the highest aggregate

1 extension in any of the last 3 preceding levy years shall be  
2 used for the purpose of computing the limiting rate. The  
3 denominator shall not include new property or the recovered tax  
4 increment value. If a new rate, a rate decrease, or a limiting  
5 rate increase has been approved at an election held after March  
6 21, 2006, then (i) the otherwise applicable limiting rate shall  
7 be increased by the amount of the new rate or shall be reduced  
8 by the amount of the rate decrease, as the case may be, or (ii)  
9 in the case of a limiting rate increase, the limiting rate  
10 shall be equal to the rate set forth in the proposition  
11 approved by the voters for each of the years specified in the  
12 proposition, after which the limiting rate of the taxing  
13 district shall be calculated as otherwise provided. In the case  
14 of a taxing district that obtained referendum approval for an  
15 increased limiting rate on March 20, 2012, the limiting rate  
16 for tax year 2012 shall be the rate that generates the  
17 approximate total amount of taxes extendable for that tax year,  
18 as set forth in the proposition approved by the voters; this  
19 rate shall be the final rate applied by the county clerk for  
20 the aggregate of all capped funds of the district for tax year  
21 2012.

22 (Source: P.A. 99-143, eff. 7-27-15; 99-521, eff. 6-1-17;  
23 100-465, eff. 8-31-17; revised 8-12-19.)

24 Section 99. Effective date. This Act takes effect upon  
25 becoming law.