

HB5793



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB5793

by Rep. Tom Weber

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-169
35 ILCS 200/15-172

Amends the Property Tax Code. Provides that, upon a resolution passed by the county board, if a person has been granted the homestead exemption for veterans with disabilities or the senior citizens assessment freeze homestead exemption, then the person qualifying need not reapply for the exemption. Effective immediately.

LRB101 21553 HLH 72416 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Property Tax Code is amended by changing
5 Sections 15-169 and 15-172 as follows:

6 (35 ILCS 200/15-169)

7 Sec. 15-169. Homestead exemption for veterans with
8 disabilities.

9 (a) Beginning with taxable year 2007, an annual homestead
10 exemption, limited to the amounts set forth in subsections (b)
11 and (b-3), is granted for property that is used as a qualified
12 residence by a veteran with a disability.

13 (b) For taxable years prior to 2015, the amount of the
14 exemption under this Section is as follows:

15 (1) for veterans with a service-connected disability
16 of at least (i) 75% for exemptions granted in taxable years
17 2007 through 2009 and (ii) 70% for exemptions granted in
18 taxable year 2010 and each taxable year thereafter, as
19 certified by the United States Department of Veterans
20 Affairs, the annual exemption is \$5,000; and

21 (2) for veterans with a service-connected disability
22 of at least 50%, but less than (i) 75% for exemptions
23 granted in taxable years 2007 through 2009 and (ii) 70% for

1 exemptions granted in taxable year 2010 and each taxable
2 year thereafter, as certified by the United States
3 Department of Veterans Affairs, the annual exemption is
4 \$2,500.

5 (b-3) For taxable years 2015 and thereafter:

6 (1) if the veteran has a service connected disability
7 of 30% or more but less than 50%, as certified by the
8 United States Department of Veterans Affairs, then the
9 annual exemption is \$2,500;

10 (2) if the veteran has a service connected disability
11 of 50% or more but less than 70%, as certified by the
12 United States Department of Veterans Affairs, then the
13 annual exemption is \$5,000; and

14 (3) if the veteran has a service connected disability
15 of 70% or more, as certified by the United States
16 Department of Veterans Affairs, then the property is exempt
17 from taxation under this Code.

18 (b-5) If a homestead exemption is granted under this
19 Section and the person awarded the exemption subsequently
20 becomes a resident of a facility licensed under the Nursing
21 Home Care Act or a facility operated by the United States
22 Department of Veterans Affairs, then the exemption shall
23 continue (i) so long as the residence continues to be occupied
24 by the qualifying person's spouse or (ii) if the residence
25 remains unoccupied but is still owned by the person who
26 qualified for the homestead exemption.

1 (c) The tax exemption under this Section carries over to
2 the benefit of the veteran's surviving spouse as long as the
3 spouse holds the legal or beneficial title to the homestead,
4 permanently resides thereon, and does not remarry. If the
5 surviving spouse sells the property, an exemption not to exceed
6 the amount granted from the most recent ad valorem tax roll may
7 be transferred to his or her new residence as long as it is
8 used as his or her primary residence and he or she does not
9 remarry.

10 (c-1) Beginning with taxable year 2015, nothing in this
11 Section shall require the veteran to have qualified for or
12 obtained the exemption before death if the veteran was killed
13 in the line of duty.

14 (d) The exemption under this Section applies for taxable
15 year 2007 and thereafter. A taxpayer who claims an exemption
16 under Section 15-165 or 15-168 may not claim an exemption under
17 this Section.

18 (e) Each taxpayer who has been granted an exemption under
19 this Section must reapply on an annual basis. Application must
20 be made during the application period in effect for the county
21 of his or her residence. The assessor or chief county
22 assessment officer may determine the eligibility of
23 residential property to receive the homestead exemption
24 provided by this Section by application, visual inspection,
25 questionnaire, or other reasonable methods. The determination
26 must be made in accordance with guidelines established by the

1 Department.

2 (e-1) If the person qualifying for the exemption does not
3 occupy the qualified residence as of January 1 of the taxable
4 year, the exemption granted under this Section shall be
5 prorated on a monthly basis. The prorated exemption shall apply
6 beginning with the first complete month in which the person
7 occupies the qualified residence.

8 (e-5) In counties with less than 3,000,000 inhabitants,
9 beginning in tax year 2020 and for each year thereafter, the
10 county board may, by resolution, provide that if a person has
11 been granted a homestead exemption under this Section, the
12 person qualifying need not reapply for the exemption.

13 (f) For the purposes of this Section:

14 "Qualified residence" means real property, but less any
15 portion of that property that is used for commercial purposes,
16 with an equalized assessed value of less than \$250,000 that is
17 the primary residence of a veteran with a disability. Property
18 rented for more than 6 months is presumed to be used for
19 commercial purposes.

20 "Veteran" means an Illinois resident who has served as a
21 member of the United States Armed Forces on active duty or
22 State active duty, a member of the Illinois National Guard, or
23 a member of the United States Reserve Forces and who has
24 received an honorable discharge.

25 (Source: P.A. 99-143, eff. 7-27-15; 99-375, eff. 8-17-15;
26 99-642, eff. 7-28-16; 100-869, eff. 8-14-18.)

1 (35 ILCS 200/15-172)

2 Sec. 15-172. Senior Citizens Assessment Freeze Homestead
3 Exemption.

4 (a) This Section may be cited as the Senior Citizens
5 Assessment Freeze Homestead Exemption.

6 (b) As used in this Section:

7 "Applicant" means an individual who has filed an
8 application under this Section.

9 "Base amount" means the base year equalized assessed value
10 of the residence plus the first year's equalized assessed value
11 of any added improvements which increased the assessed value of
12 the residence after the base year.

13 "Base year" means the taxable year prior to the taxable
14 year for which the applicant first qualifies and applies for
15 the exemption provided that in the prior taxable year the
16 property was improved with a permanent structure that was
17 occupied as a residence by the applicant who was liable for
18 paying real property taxes on the property and who was either
19 (i) an owner of record of the property or had legal or
20 equitable interest in the property as evidenced by a written
21 instrument or (ii) had a legal or equitable interest as a
22 lessee in the parcel of property that was single family
23 residence. If in any subsequent taxable year for which the
24 applicant applies and qualifies for the exemption the equalized
25 assessed value of the residence is less than the equalized

1 assessed value in the existing base year (provided that such
2 equalized assessed value is not based on an assessed value that
3 results from a temporary irregularity in the property that
4 reduces the assessed value for one or more taxable years), then
5 that subsequent taxable year shall become the base year until a
6 new base year is established under the terms of this paragraph.
7 For taxable year 1999 only, the Chief County Assessment Officer
8 shall review (i) all taxable years for which the applicant
9 applied and qualified for the exemption and (ii) the existing
10 base year. The assessment officer shall select as the new base
11 year the year with the lowest equalized assessed value. An
12 equalized assessed value that is based on an assessed value
13 that results from a temporary irregularity in the property that
14 reduces the assessed value for one or more taxable years shall
15 not be considered the lowest equalized assessed value. The
16 selected year shall be the base year for taxable year 1999 and
17 thereafter until a new base year is established under the terms
18 of this paragraph.

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

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

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

1 "Household income" means the combined income of the members
2 of a household for the calendar year preceding the taxable
3 year.

4 "Income" has the same meaning as provided in Section 3.07
5 of the Senior Citizens and Persons with Disabilities Property
6 Tax Relief Act, except that, beginning in assessment year 2001,
7 "income" does not include veteran's benefits.

8 "Internal Revenue Code of 1986" means the United States
9 Internal Revenue Code of 1986 or any successor law or laws
10 relating to federal income taxes in effect for the year
11 preceding the taxable year.

12 "Life care facility that qualifies as a cooperative" means
13 a facility as defined in Section 2 of the Life Care Facilities
14 Act.

15 "Maximum income limitation" means:

- 16 (1) \$35,000 prior to taxable year 1999;
17 (2) \$40,000 in taxable years 1999 through 2003;
18 (3) \$45,000 in taxable years 2004 through 2005;
19 (4) \$50,000 in taxable years 2006 and 2007;
20 (5) \$55,000 in taxable years 2008 through 2016;
21 (6) for taxable year 2017, (i) \$65,000 for qualified
22 property located in a county with 3,000,000 or more
23 inhabitants and (ii) \$55,000 for qualified property
24 located in a county with fewer than 3,000,000 inhabitants;
25 and
26 (7) for taxable years 2018 and thereafter, \$65,000 for

1 all qualified property.

2 "Residence" means the principal dwelling place and
3 appurtenant structures used for residential purposes in this
4 State occupied on January 1 of the taxable year by a household
5 and so much of the surrounding land, constituting the parcel
6 upon which the dwelling place is situated, as is used for
7 residential purposes. If the Chief County Assessment Officer
8 has established a specific legal description for a portion of
9 property constituting the residence, then that portion of
10 property shall be deemed the residence for the purposes of this
11 Section.

12 "Taxable year" means the calendar year during which ad
13 valorem property taxes payable in the next succeeding year are
14 levied.

15 (c) Beginning in taxable year 1994, a senior citizens
16 assessment freeze homestead exemption is granted for real
17 property that is improved with a permanent structure that is
18 occupied as a residence by an applicant who (i) is 65 years of
19 age or older during the taxable year, (ii) has a household
20 income that does not exceed the maximum income limitation,
21 (iii) is liable for paying real property taxes on the property,
22 and (iv) is an owner of record of the property or has a legal or
23 equitable interest in the property as evidenced by a written
24 instrument. This homestead exemption shall also apply to a
25 leasehold interest in a parcel of property improved with a
26 permanent structure that is a single family residence that is

1 occupied as a residence by a person who (i) is 65 years of age
2 or older during the taxable year, (ii) has a household income
3 that does not exceed the maximum income limitation, (iii) has a
4 legal or equitable ownership interest in the property as
5 lessee, and (iv) is liable for the payment of real property
6 taxes on that property.

7 In counties of 3,000,000 or more inhabitants, the amount of
8 the exemption for all taxable years is the equalized assessed
9 value of the residence in the taxable year for which
10 application is made minus the base amount. In all other
11 counties, the amount of the exemption is as follows: (i)
12 through taxable year 2005 and for taxable year 2007 and
13 thereafter, the amount of this exemption shall be the equalized
14 assessed value of the residence in the taxable year for which
15 application is made minus the base amount; and (ii) for taxable
16 year 2006, the amount of the exemption is as follows:

17 (1) For an applicant who has a household income of
18 \$45,000 or less, the amount of the exemption is the
19 equalized assessed value of the residence in the taxable
20 year for which application is made minus the base amount.

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

26 (3) For an applicant who has a household income

1 exceeding \$46,250 but not exceeding \$47,500, the amount of
2 the exemption is (i) the equalized assessed value of the
3 residence in the taxable year for which application is made
4 minus the base amount (ii) multiplied by 0.6.

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

10 (5) For an applicant who has a household income
11 exceeding \$48,750 but not exceeding \$50,000, the amount of
12 the exemption is (i) the equalized assessed value of the
13 residence in the taxable year for which application is made
14 minus the base amount (ii) multiplied by 0.2.

15 When the applicant is a surviving spouse of an applicant
16 for a prior year for the same residence for which an exemption
17 under this Section has been granted, the base year and base
18 amount for that residence are the same as for the applicant for
19 the prior year.

20 Each year at the time the assessment books are certified to
21 the County Clerk, the Board of Review or Board of Appeals shall
22 give to the County Clerk a list of the assessed values of
23 improvements on each parcel qualifying for this exemption that
24 were added after the base year for this parcel and that
25 increased the assessed value of the property.

26 In the case of land improved with an apartment building

1 owned and operated as a cooperative or a building that is a
2 life care facility that qualifies as a cooperative, the maximum
3 reduction from the equalized assessed value of the property is
4 limited to the sum of the reductions calculated for each unit
5 occupied as a residence by a person or persons (i) 65 years of
6 age or older, (ii) with a household income that does not exceed
7 the maximum income limitation, (iii) who is liable, by contract
8 with the owner or owners of record, for paying real property
9 taxes on the property, and (iv) who is an owner of record of a
10 legal or equitable interest in the cooperative apartment
11 building, other than a leasehold interest. In the instance of a
12 cooperative where a homestead exemption has been granted under
13 this Section, the cooperative association or its management
14 firm shall credit the savings resulting from that exemption
15 only to the apportioned tax liability of the owner who
16 qualified for the exemption. Any person who willfully refuses
17 to credit that savings to an owner who qualifies for the
18 exemption is guilty of a Class B misdemeanor.

19 When a homestead exemption has been granted under this
20 Section and an applicant then becomes a resident of a facility
21 licensed under the Assisted Living and Shared Housing Act, the
22 Nursing Home Care Act, the Specialized Mental Health
23 Rehabilitation Act of 2013, the ID/DD Community Care Act, or
24 the MC/DD Act, the exemption shall be granted in subsequent
25 years so long as the residence (i) continues to be occupied by
26 the qualified applicant's spouse or (ii) if remaining

1 unoccupied, is still owned by the qualified applicant for the
2 homestead exemption.

3 Beginning January 1, 1997, when an individual dies who
4 would have qualified for an exemption under this Section, and
5 the surviving spouse does not independently qualify for this
6 exemption because of age, the exemption under this Section
7 shall be granted to the surviving spouse for the taxable year
8 preceding and the taxable year of the death, provided that,
9 except for age, the surviving spouse meets all other
10 qualifications for the granting of this exemption for those
11 years.

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

15 For taxable year 1994 only, in counties having less than
16 3,000,000 inhabitants, to receive the exemption, a person shall
17 submit an application by February 15, 1995 to the Chief County
18 Assessment Officer of the county in which the property is
19 located. In counties having 3,000,000 or more inhabitants, for
20 taxable year 1994 and all subsequent taxable years, to receive
21 the exemption, a person may submit an application to the Chief
22 County Assessment Officer of the county in which the property
23 is located during such period as may be specified by the Chief
24 County Assessment Officer. The Chief County Assessment Officer
25 in counties of 3,000,000 or more inhabitants shall annually
26 give notice of the application period by mail or by

1 publication. In counties having less than 3,000,000
2 inhabitants, beginning with taxable year 1995 and thereafter,
3 to receive the exemption, a person shall submit an application
4 by July 1 of each taxable year to the Chief County Assessment
5 Officer of the county in which the property is located. A
6 county may, by ordinance, establish a date for submission of
7 applications that is different than July 1. The applicant shall
8 submit with the application an affidavit of the applicant's
9 total household income, age, marital status (and if married the
10 name and address of the applicant's spouse, if known), and
11 principal dwelling place of members of the household on January
12 1 of the taxable year. The Department shall establish, by rule,
13 a method for verifying the accuracy of affidavits filed by
14 applicants under this Section, and the Chief County Assessment
15 Officer may conduct audits of any taxpayer claiming an
16 exemption under this Section to verify that the taxpayer is
17 eligible to receive the exemption. Each application shall
18 contain or be verified by a written declaration that it is made
19 under the penalties of perjury. A taxpayer's signing a
20 fraudulent application under this Act is perjury, as defined in
21 Section 32-2 of the Criminal Code of 2012. The applications
22 shall be clearly marked as applications for the Senior Citizens
23 Assessment Freeze Homestead Exemption and must contain a notice
24 that any taxpayer who receives the exemption is subject to an
25 audit by the Chief County Assessment Officer.

26 Notwithstanding any other provision to the contrary, in

1 counties having fewer than 3,000,000 inhabitants, if an
2 applicant fails to file the application required by this
3 Section in a timely manner and this failure to file is due to a
4 mental or physical condition sufficiently severe so as to
5 render the applicant incapable of filing the application in a
6 timely manner, the Chief County Assessment Officer may extend
7 the filing deadline for a period of 30 days after the applicant
8 regains the capability to file the application, but in no case
9 may the filing deadline be extended beyond 3 months of the
10 original filing deadline. In order to receive the extension
11 provided in this paragraph, the applicant shall provide the
12 Chief County Assessment Officer with a signed statement from
13 the applicant's physician, advanced practice registered nurse,
14 or physician assistant stating the nature and extent of the
15 condition, that, in the physician's, advanced practice
16 registered nurse's, or physician assistant's opinion, the
17 condition was so severe that it rendered the applicant
18 incapable of filing the application in a timely manner, and the
19 date on which the applicant regained the capability to file the
20 application.

21 Beginning January 1, 1998, notwithstanding any other
22 provision to the contrary, in counties having fewer than
23 3,000,000 inhabitants, if an applicant fails to file the
24 application required by this Section in a timely manner and
25 this failure to file is due to a mental or physical condition
26 sufficiently severe so as to render the applicant incapable of

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

12 In counties having less than 3,000,000 inhabitants, if an
13 applicant was denied an exemption in taxable year 1994 and the
14 denial occurred due to an error on the part of an assessment
15 official, or his or her agent or employee, then beginning in
16 taxable year 1997 the applicant's base year, for purposes of
17 determining the amount of the exemption, shall be 1993 rather
18 than 1994. In addition, in taxable year 1997, the applicant's
19 exemption shall also include an amount equal to (i) the amount
20 of any exemption denied to the applicant in taxable year 1995
21 as a result of using 1994, rather than 1993, as the base year,
22 (ii) the amount of any exemption denied to the applicant in
23 taxable year 1996 as a result of using 1994, rather than 1993,
24 as the base year, and (iii) the amount of the exemption
25 erroneously denied for taxable year 1994.

26 For purposes of this Section, a person who will be 65 years

1 of age during the current taxable year shall be eligible to
2 apply for the homestead exemption during that taxable year.
3 Application shall be made during the application period in
4 effect for the county of his or her residence.

5 The Chief County Assessment Officer may determine the
6 eligibility of a life care facility that qualifies as a
7 cooperative to receive the benefits provided by this Section by
8 use of an affidavit, application, visual inspection,
9 questionnaire, or other reasonable method in order to insure
10 that the tax savings resulting from the exemption are credited
11 by the management firm to the apportioned tax liability of each
12 qualifying resident. The Chief County Assessment Officer may
13 request reasonable proof that the management firm has so
14 credited that exemption.

15 Except as provided in this Section, all information
16 received by the chief county assessment officer or the
17 Department from applications filed under this Section, or from
18 any investigation conducted under the provisions of this
19 Section, shall be confidential, except for official purposes or
20 pursuant to official procedures for collection of any State or
21 local tax or enforcement of any civil or criminal penalty or
22 sanction imposed by this Act or by any statute or ordinance
23 imposing a State or local tax. Any person who divulges any such
24 information in any manner, except in accordance with a proper
25 judicial order, is guilty of a Class A misdemeanor.

26 Nothing contained in this Section shall prevent the

1 Director or chief county assessment officer from publishing or
2 making available reasonable statistics concerning the
3 operation of the exemption contained in this Section in which
4 the contents of claims are grouped into aggregates in such a
5 way that information contained in any individual claim shall
6 not be disclosed.

7 Notwithstanding any other provision of law, for taxable
8 year 2017 and thereafter, in counties of 3,000,000 or more
9 inhabitants, the amount of the exemption shall be the greater
10 of (i) the amount of the exemption otherwise calculated under
11 this Section or (ii) \$2,000.

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

20 (d-5) In counties with less than 3,000,000 inhabitants,
21 beginning in tax year 2020 and for each year thereafter, the
22 county board may, by resolution, provide that if a person has
23 been granted a homestead exemption under this Section, the
24 person qualifying need not reapply for the exemption.

25 (e) Notwithstanding Sections 6 and 8 of the State Mandates
26 Act, no reimbursement by the State is required for the

1 implementation of any mandate created by this Section.
2 (Source: P.A. 99-143, eff. 7-27-15; 99-180, eff. 7-29-15;
3 99-581, eff. 1-1-17; 99-642, eff. 7-28-16; 100-401, eff.
4 8-25-17; 100-513, eff. 1-1-18; 100-863, eff. 8-14-18.)

5 Section 99. Effective date. This Act takes effect upon
6 becoming law.