



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB1750

Introduced 2/17/2021, by Rep. Chris Miller

SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-165

Amends the Property Tax Code. Provides that any taxing district may order the county clerk to abate any portion of its taxes, in any given year, on the essential business property that demonstrates financial hardship due to the restrictions on operations during the 2020 and 2021 tax year due to the Covid-19 public health emergency. Defines "essential business property". Effective immediately.

LRB102 14038 HLH 19390 b

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 Section 18-165 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
21 State during the immediately preceding year, or
22 expanding an existing facility, or (ii) any firm that
23 is used for the generation and transmission of

1 electricity locating within the taxing district during
2 the immediately preceding year or expanding its
3 presence within the taxing district during the
4 immediately preceding year by construction of a new
5 electric generating facility that uses natural gas as
6 its fuel, or any firm that is used for production
7 operations at a new, expanded, or reopened coal mine
8 within the taxing district, that has been certified as
9 a High Impact Business by the Illinois Department of
10 Commerce and Economic Opportunity. The property of any
11 firm used for the generation and transmission of
12 electricity shall include all property of the firm
13 used for transmission facilities as defined in Section
14 5.5 of the Illinois Enterprise Zone Act. The abatement
15 shall not exceed a period of 10 years and the aggregate
16 amount of abated taxes for all taxing districts
17 combined shall not 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
23 10 years. The abatement shall be subject to the
24 following 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
10 or 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
19 or 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
2 or 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
20 or greater than \$150,000,000, then the abatement
21 may 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
3 to 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
6 that 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
17 any academic or research institute in the taxing district
18 that (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
14 and Urban Development. The abatement shall not exceed a
15 period of 15 years, and the aggregate amount of abated
16 taxes for all taxing districts shall not exceed
17 \$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
15 directly or indirectly by that eligible business to the
16 taxing district and any other taxing districts for
17 premises occupied pursuant to a written lease and may make
18 those payments without the need for an annual
19 appropriation. No school district, however, may enter into
20 an agreement with, or abate taxes for, an eligible
21 business unless the municipality in which the corporate
22 headquarters is located agrees to provide funding to the
23 school district in an amount equal to the amount abated or
24 paid by the school district as provided in this paragraph
25 (8). Any abatement ordered or agreement entered into under
26 this paragraph (8) may be effective for the entire term

1 specified by the taxing district, except the term of the
2 abatement or annual 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
21 Section 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
24 assessed valuation of its property, order the clerk of that
25 county to abate any portion of its taxes, in any given year, on
26 the essential business property that demonstrates financial

1 hardship due to the restrictions on operations during the 2020
2 and 2021 tax year due to the Covid-19 public health emergency.
3 For purposes of this subsection (c), "essential business
4 property" means the commercial property owned by an owner of
5 an essential business or operation, as defined in Executive
6 Order 2020-10 dated March 20, 2020.

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

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.