



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB1949

Introduced 2/17/2021, by Rep. Joe Sosnowski

SYNOPSIS AS INTRODUCED:

35 ILCS 200/9-265

Amends the Property Tax Code. Provides that in counties with less than 3,000,000 inhabitants, the board of review may establish reasonable procedures for contesting the payment of taxes, interest, fees or costs that the chief county assessment officer determines are due because a portion of the property was omitted based on an erroneously granted homestead exemption. Provides for the number of years that may be contested, and for the collection of fees, interest and penalties.

LRB102 13630 HLH 18980 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 9-265 as follows:

6 (35 ILCS 200/9-265)

7 Sec. 9-265. Omitted property; interest; change in exempt
8 use or ownership.

9 (a) If any property is omitted in the assessment of any
10 year or years, not to exceed the current assessment year and 3
11 prior years, so that the taxes, for which the property was
12 liable, have not been paid, or if by reason of defective
13 description or assessment, taxes on any property for any year
14 or years have not been paid, or if any taxes are refunded under
15 subsection (b) of Section 14-5 because the taxes were assessed
16 in the wrong person's name, the property, when discovered,
17 shall be listed and assessed by the board of review or, in
18 counties with 3,000,000 or more inhabitants, by the county
19 assessor either on his or her own initiative or when so
20 directed by the board of appeals or board of review.

21 (b) The board of review in counties with less than
22 3,000,000 inhabitants or the county assessor in counties with
23 3,000,000 or more inhabitants may develop reasonable

1 procedures for contesting the listing of omitted property
2 under this Division. With respect to counties with less than
3 3,000,000 inhabitants, the board of review may also establish
4 reasonable procedures for contesting the payment of taxes,
5 interest, fees or costs that the chief county assessment
6 officer determines are due because a portion of the property
7 was omitted based on an erroneously granted homestead
8 exemption as provided in subsection (g).

9 (c) For purposes of this Section, "defective description
10 or assessment" includes a description or assessment which
11 omits all the improvements thereon as a result of which part of
12 the taxes on the total value of the property as improved remain
13 unpaid. In the case of property subject to assessment by the
14 Department, the property shall be listed and assessed by the
15 Department. All such property shall be placed on the
16 assessment and tax books.

17 (d) The arrearages of taxes which might have been
18 assessed, with 10% interest thereon for each year or portion
19 thereof from 2 years after the time the first correct tax bill
20 ought to have been received, shall be charged against the
21 property by the county clerk.

22 (e) When property or acreage omitted by either incorrect
23 survey or other ministerial assessor error is discovered and
24 the owner has paid its tax bills as received for the year or
25 years of omission of the parcel, then the interest authorized
26 by this Section shall not be chargeable to the owner. However,

1 nothing in this Section shall prevent the collection of the
2 principal amount of back taxes due and owing.

3 (f) If any property listed as exempt by the chief county
4 assessment officer has a change in use, a change in leasehold
5 estate, or a change in titleholder of record by purchase,
6 grant, taking or transfer, it shall be the obligation of the
7 transferee to notify the chief county assessment officer in
8 writing within 90 days of the change. If mailed, the notice
9 shall be sent by certified mail, return receipt requested, and
10 shall include the name and address of the taxpayer, the legal
11 description of the property, and the property index number of
12 the property when an index number exists. If notice is
13 provided in person, it shall be provided on a form prescribed
14 by the chief county assessment officer, and the chief county
15 assessment officer shall provide a date stamped copy of the
16 notice. Except as provided in item (6) of subsection (a) of
17 Section 9-260, item (6) of Section 16-135, and item (6) of
18 Section 16-140 of this Code, if the failure to give the
19 notification results in the assessing official continuing to
20 list the property as exempt in subsequent years, the property
21 shall be considered omitted property for purposes of this
22 Code.

23 (g) In counties with fewer than 3,000,000 inhabitants, if
24 a chief county assessment officer discovers at any time ~~before~~
25 ~~judgment~~ that a property has been granted a homestead
26 exemption under Article 15 of this Code to which it was not

1 entitled for the current taxable year or any of the 3 prior
2 taxable years, the chief county assessment officer may
3 consider the erroneously exempt portion of the property as
4 omitted property under this Section for that taxable year and
5 for any of the 3 prior years in which an erroneous homestead
6 exemption was granted. The county, or its designated agent,
7 may utilize any remedy allowed by law to collect the taxes due
8 on the erroneously omitted property plus interest in the
9 amount of 10% per annum on such amounts, as well as any
10 additional fees or costs that may be authorized by the board of
11 review or other appropriate county entity in the county in
12 which the property is located, including fees and costs
13 incurred in verifying and collecting the unpaid taxes on the
14 omitted property only.

15 (Source: P.A. 98-615, eff. 6-1-14.)