



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB4982

Introduced 1/27/2022, by Rep. Tony McCombie

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-169

Amends the Property Tax Code. Provides that, for the 2015 taxable year and thereafter, the exemption for veterans with disabilities also carries over to the surviving spouse of a veteran who was killed in the line of duty in the current taxable year or any preceding taxable year. Provides that, for the 2023 taxable year and thereafter, the exemption for veterans with disabilities also carries over to (i) the surviving spouse of a veteran who did not obtain the exemption before death, but who would have qualified for the exemption in the current taxable year if he or she had survived and (ii) the surviving spouse of a veteran whose death was determined to be service-connected and who is certified by the United States Department of Veterans Affairs as being a current recipient of Dependency and Indemnity Compensation. Provides that, in the case of a surviving spouse who is certified by the United States Department of Veterans Affairs as being a current recipient of Dependency and Indemnity Compensation, the property is exempt. Provides that the exemption carries over to the benefit of the veteran's adult or minor child if the child receives social security disability benefits or social security supplemental income because of a permanent disability and the veteran is deceased and the veteran's surviving spouse is deceased, remarries, or disclaims the exemption under this Section. Effective immediately.

LRB102 23384 HLH 32553 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 15-169 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
17 years 2007 through 2009 and (ii) 70% for exemptions
18 granted in taxable year 2010 and each taxable year
19 thereafter, as certified by the United States Department
20 of Veterans 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%

1 for exemptions granted in taxable year 2010 and each
2 taxable 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
17 exempt 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 or the benefit
3 of the veteran's qualifying child as long as the spouse or
4 child holds the legal or beneficial title to the homestead,
5 permanently resides thereon, and (in the case of the surviving
6 spouse) does not remarry. If the surviving spouse or
7 qualifying child sells the property, an exemption not to
8 exceed the amount granted from the most recent ad valorem tax
9 roll may be transferred to his or her new residence as long as
10 it is used as his or her primary residence and (in the case of
11 the surviving spouse) he or she does not remarry.

12 As used in this subsection (c):

13 (1) for taxable years prior to 2015, "surviving
14 spouse" means the surviving spouse of a veteran who
15 obtained an exemption under this Section prior to his or
16 her death;

17 (2) for taxable years 2015 through 2023, "surviving
18 spouse" means (i) the surviving spouse of a veteran who
19 obtained an exemption under this Section prior to his or
20 her death and (ii) the surviving spouse of a veteran who
21 was killed in the line of duty in the current taxable year
22 or any preceding taxable year; and

23 (3) for taxable year 2023 and thereafter, "surviving
24 spouse" means (i) the surviving spouse of a veteran who
25 qualified for the exemption under this Section prior to
26 his or her death, (ii) the surviving spouse of a veteran

1 who was killed in the line of duty in the current taxable
2 year or any preceding taxable year, (iii) the surviving
3 spouse of a veteran who did not obtain an exemption under
4 this Section before death, but who would have qualified
5 for the exemption under this Section in the current
6 taxable year if he or she had survived, and (iv) the
7 surviving spouse of a veteran whose death was determined
8 to be service-connected and who is certified by the United
9 States Department of Veterans Affairs as being a current
10 recipient of Dependency and Indemnity Compensation; a
11 surviving spouse who qualifies under item (iv) shall
12 receive the exemption set forth in paragraph (3) of
13 subsection (b-3).

14 "Qualifying child" means an adult or minor child of the
15 veteran who receives social security disability benefits or
16 social security supplemental income because of a permanent
17 disability, so long as the veteran is deceased and the
18 veteran's surviving spouse is deceased, remarries, or
19 disclaims the exemption under this Section.

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

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

1 under this Section.

2 (e) Each taxpayer who has been granted an exemption under
3 this Section must reapply on an annual basis. Application must
4 be made during the application period in effect for the county
5 of his or her residence. The assessor or chief county
6 assessment officer may determine the eligibility of
7 residential property to receive the homestead exemption
8 provided by this Section by application, visual inspection,
9 questionnaire, or other reasonable methods. The determination
10 must be made in accordance with guidelines established by the
11 Department.

12 (e-1) If the person qualifying for the exemption does not
13 occupy the qualified residence as of January 1 of the taxable
14 year, the exemption granted under this Section shall be
15 prorated on a monthly basis. The prorated exemption shall
16 apply beginning with the first complete month in which the
17 person occupies the qualified residence.

18 (e-5) Notwithstanding any other provision of law, each
19 chief county assessment officer may approve this exemption for
20 the 2020 taxable year, without application, for any property
21 that was approved for this exemption for the 2019 taxable
22 year, provided that:

23 (1) the county board has declared a local disaster as
24 provided in the Illinois Emergency Management Agency Act
25 related to the COVID-19 public health emergency;

26 (2) the owner of record of the property as of January

1 1, 2020 is the same as the owner of record of the property
2 as of January 1, 2019;

3 (3) the exemption for the 2019 taxable year has not
4 been determined to be an erroneous exemption as defined by
5 this Code; and

6 (4) the applicant for the 2019 taxable year has not
7 asked for the exemption to be removed for the 2019 or 2020
8 taxable years.

9 Nothing in this subsection shall preclude a veteran whose
10 service connected disability rating has changed since the 2019
11 exemption was granted from applying for the exemption based on
12 the subsequent service connected disability rating.

13 (e-10) Notwithstanding any other provision of law, each
14 chief county assessment officer may approve this exemption for
15 the 2021 taxable year, without application, for any property
16 that was approved for this exemption for the 2020 taxable
17 year, if:

18 (1) the county board has declared a local disaster as
19 provided in the Illinois Emergency Management Agency Act
20 related to the COVID-19 public health emergency;

21 (2) the owner of record of the property as of January
22 1, 2021 is the same as the owner of record of the property
23 as of January 1, 2020;

24 (3) the exemption for the 2020 taxable year has not
25 been determined to be an erroneous exemption as defined by
26 this Code; and

1 (4) the taxpayer for the 2020 taxable year has not
2 asked for the exemption to be removed for the 2020 or 2021
3 taxable years.

4 Nothing in this subsection shall preclude a veteran whose
5 service connected disability rating has changed since the 2020
6 exemption was granted from applying for the exemption based on
7 the subsequent service connected disability rating.

8 (f) For the purposes of this Section:

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

15 "Veteran" means an Illinois resident who has served as a
16 member of the United States Armed Forces on active duty or
17 State active duty, a member of the Illinois National Guard, or
18 a member of the United States Reserve Forces and who has
19 received an honorable discharge.

20 (Source: P.A. 101-635, eff. 6-5-20; 102-136, eff. 7-23-21.)

21 Section 99. Effective date. This Act takes effect upon
22 becoming law.