

SB1745



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

SB1745

Introduced 2/26/2021, by Sen. Rachelle Crowe

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-178 new

Amends the Property Tax Code. Creates a middle class tax credit limited to a reduction in the equalized assessed value of homestead property owned by a middle class homeowner of 5% of the equalized assessed value of the property for the current assessment year. Provides that the maximum exemption is limited to \$5,000. Effective immediately.

LRB102 16359 HLH 21746 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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 adding
5 Section 15-178 as follows:

6 (35 ILCS 200/15-178 new)

7 Sec. 15-178. Middle class property tax credit.

8 (a) For purposes of this Section:

9 "Current tax year" means the year prior to the collection
10 year.

11 "Homestead property" has the same meaning as provided in
12 Section 35 ILCS 200/15-175.

13 "Household" means the owner, the spouse of the owner, and
14 all persons using the residence of the owner as their
15 principal place of residence.

16 "Household income" means the combined income of the
17 members of a household for the calendar year preceding the
18 taxable year.

19 "Income" has the same meaning as provided in Section 3.07
20 of the Senior Citizens and Persons with Disabilities Property
21 Tax Relief Act, except that "income" does not include
22 veteran's benefits.

23 "Middle class" means households with an income up to and

1 including 200% of the median household income for the State of
2 Illinois as determined by the most recent available United
3 States Census Bureau data.

4 (b) Beginning in taxable year 2022, homestead property
5 owned by a middle class homeowner or middle class homeowners
6 is entitled to an annual homestead exemption limited to a
7 reduction in the equalized assessed value of homestead
8 property of 5% of the equalized assessed value for the current
9 assessment year. The maximum exemption is limited to \$5,000.

10 (c) In a cooperative or life care facility where a
11 homestead exemption has been granted under this Section, the
12 cooperative association or the management of the cooperative
13 or life care facility shall credit the savings resulting from
14 that exemption only to the apportioned tax liability of the
15 owner or resident who qualified for the exemption. Any person
16 who willfully refuses to so credit the savings shall be guilty
17 of a Class B misdemeanor.

18 (d) Where married persons maintain and reside in separate
19 residences qualifying as homestead property, each residence
20 shall receive 50% of the total reduction in equalized assessed
21 valuation provided by this Section.

22 (e) Notwithstanding Sections 6 and 8 of the State Mandates
23 Act, no reimbursement by the State is required for the
24 implementation of any mandate created by this Section.

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