



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

SB2559

Introduced 2/26/2021, by Sen. Melinda Bush

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 2021 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. Effective immediately.

LRB102 16390 HLH 21779 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

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 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
6 exceed the amount granted from the most recent ad valorem tax
7 roll may be transferred to his or her new residence as long as
8 it is used as his or her primary residence and he or she does
9 not remarry.

10 As used in this subsection (c):

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

15 (2) for taxable years 2015 through 2020, "surviving
16 spouse" means (i) the surviving spouse of a veteran who
17 obtained an exemption under this Section prior to his or
18 her death and (ii) the surviving spouse of a veteran who
19 was killed in the line of duty in the current taxable year
20 or any preceding taxable year; and

21 (3) for taxable year 2021 and thereafter, "surviving
22 spouse" means (i) the surviving spouse of a veteran who
23 qualified for the exemption under this Section prior to
24 his or her death, (ii) the surviving spouse of a veteran
25 who was killed in the line of duty in the current taxable
26 year or any preceding taxable year, (iii) the surviving

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

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

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

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

1 questionnaire, or other reasonable methods. The determination
2 must be made in accordance with guidelines established by the
3 Department.

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

10 (e-5) Notwithstanding any other provision of law, each
11 chief county assessment officer may approve this exemption for
12 the 2020 taxable year, without application, for any property
13 that was approved for this exemption for the 2019 taxable
14 year, provided that:

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

18 (2) the owner of record of the property as of January
19 1, 2020 is the same as the owner of record of the property
20 as of January 1, 2019;

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

24 (4) the applicant for the 2019 taxable year has not
25 asked for the exemption to be removed for the 2019 or 2020
26 taxable years.

1 Nothing in this subsection shall preclude a veteran whose
2 service connected disability rating has changed since the 2019
3 exemption was granted from applying for the exemption based on
4 the subsequent service connected disability rating.

5 (f) For the purposes of this Section:

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

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

17 (Source: P.A. 100-869, eff. 8-14-18; 101-635, eff. 6-5-20.)

18 Section 99. Effective date. This Act takes effect upon
19 becoming law.