



## 103RD GENERAL ASSEMBLY

### State of Illinois

2023 and 2024

HB3644

Introduced 2/17/2023, by Rep. Fred Crespo

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-185  
35 ILCS 200/18-205  
35 ILCS 200/18-242 new  
30 ILCS 805/8.47 new

Amends the Property Tax Extension Limitation Law in the Property Tax Code. Provides that, if, at the end of any levy year, a taxing district has reserves of 50% or more of its operating budget for that levy year, then, for the next levy year, "extension limitation" means 0% or the rate of increase approved by the voters. Preempts the power of home rule units to tax. Effective immediately.

LRB103 27670 HLH 54047 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 Sections 18-185 and 18-205 and by adding Section 18-242 as  
6 follows:

7 (35 ILCS 200/18-185)

8 Sec. 18-185. Short title; definitions. This Division 5  
9 may be cited as the Property Tax Extension Limitation Law. As  
10 used in this Division 5:

11 "Consumer Price Index" means the Consumer Price Index for  
12 All Urban Consumers for all items published by the United  
13 States Department of Labor.

14 "Extension limitation" means, except as otherwise provided  
15 in this Section, (a) the lesser of 5% or the percentage  
16 increase in the Consumer Price Index during the 12-month  
17 calendar year preceding the levy year or (b) the rate of  
18 increase approved by voters under Section 18-205.

19 If, at the end of any levy year, any taxing district, as  
20 defined in Section 1-150, has reserves of 50% or more of its  
21 operating budget for that levy year, then, for the next levy  
22 year, "extension limitation" means 0% or the rate of increase  
23 approved by the voters under Section 18-205.

1 "Affected county" means a county of 3,000,000 or more  
2 inhabitants or a county contiguous to a county of 3,000,000 or  
3 more inhabitants.

4 "Taxing district" has the same meaning provided in Section  
5 1-150, except as otherwise provided in this Section. For the  
6 1991 through 1994 levy years only, "taxing district" includes  
7 only each non-home rule taxing district having the majority of  
8 its 1990 equalized assessed value within any county or  
9 counties contiguous to a county with 3,000,000 or more  
10 inhabitants. Beginning with the 1995 levy year, "taxing  
11 district" includes only each non-home rule taxing district  
12 subject to this Law before the 1995 levy year and each non-home  
13 rule taxing district not subject to this Law before the 1995  
14 levy year having the majority of its 1994 equalized assessed  
15 value in an affected county or counties. Beginning with the  
16 levy year in which this Law becomes applicable to a taxing  
17 district as provided in Section 18-213, "taxing district" also  
18 includes those taxing districts made subject to this Law as  
19 provided in Section 18-213. Beginning in levy year 2023,  
20 "taxing district" also means any taxing district, as defined  
21 in Section 1-150, that had reserves of 50% or more of its  
22 operating budget at the end of the immediately preceding levy  
23 year.

24 "Aggregate extension" for taxing districts to which this  
25 Law applied before the 1995 levy year means the annual  
26 corporate extension for the taxing district and those special

1 purpose extensions that are made annually for the taxing  
2 district, excluding special purpose extensions: (a) made for  
3 the taxing district to pay interest or principal on general  
4 obligation bonds that were approved by referendum; (b) made  
5 for any taxing district to pay interest or principal on  
6 general obligation bonds issued before October 1, 1991; (c)  
7 made for any taxing district to pay interest or principal on  
8 bonds issued to refund or continue to refund those bonds  
9 issued before October 1, 1991; (d) made for any taxing  
10 district to pay interest or principal on bonds issued to  
11 refund or continue to refund bonds issued after October 1,  
12 1991 that were approved by referendum; (e) made for any taxing  
13 district to pay interest or principal on revenue bonds issued  
14 before October 1, 1991 for payment of which a property tax levy  
15 or the full faith and credit of the unit of local government is  
16 pledged; however, a tax for the payment of interest or  
17 principal on those bonds shall be made only after the  
18 governing body of the unit of local government finds that all  
19 other sources for payment are insufficient to make those  
20 payments; (f) made for payments under a building commission  
21 lease when the lease payments are for the retirement of bonds  
22 issued by the commission before October 1, 1991, to pay for the  
23 building project; (g) made for payments due under installment  
24 contracts entered into before October 1, 1991; (h) made for  
25 payments of principal and interest on bonds issued under the  
26 Metropolitan Water Reclamation District Act to finance

1 construction projects initiated before October 1, 1991; (i)  
2 made for payments of principal and interest on limited bonds,  
3 as defined in Section 3 of the Local Government Debt Reform  
4 Act, in an amount not to exceed the debt service extension base  
5 less the amount in items (b), (c), (e), and (h) of this  
6 definition for non-referendum obligations, except obligations  
7 initially issued pursuant to referendum; (j) made for payments  
8 of principal and interest on bonds issued under Section 15 of  
9 the Local Government Debt Reform Act; (k) made by a school  
10 district that participates in the Special Education District  
11 of Lake County, created by special education joint agreement  
12 under Section 10-22.31 of the School Code, for payment of the  
13 school district's share of the amounts required to be  
14 contributed by the Special Education District of Lake County  
15 to the Illinois Municipal Retirement Fund under Article 7 of  
16 the Illinois Pension Code; the amount of any extension under  
17 this item (k) shall be certified by the school district to the  
18 county clerk; (l) made to fund expenses of providing joint  
19 recreational programs for persons with disabilities under  
20 Section 5-8 of the Park District Code or Section 11-95-14 of  
21 the Illinois Municipal Code; (m) made for temporary relocation  
22 loan repayment purposes pursuant to Sections 2-3.77 and  
23 17-2.2d of the School Code; (n) made for payment of principal  
24 and interest on any bonds issued under the authority of  
25 Section 17-2.2d of the School Code; (o) made for contributions  
26 to a firefighter's pension fund created under Article 4 of the

1 Illinois Pension Code, to the extent of the amount certified  
2 under item (5) of Section 4-134 of the Illinois Pension Code;  
3 and (p) made for road purposes in the first year after a  
4 township assumes the rights, powers, duties, assets, property,  
5 liabilities, obligations, and responsibilities of a road  
6 district abolished under the provisions of Section 6-133 of  
7 the Illinois Highway Code.

8 "Aggregate extension" for the taxing districts to which  
9 this Law did not apply before the 1995 levy year (except taxing  
10 districts subject to this Law in accordance with Section  
11 18-213 or this amendatory Act of the 103rd General Assembly)  
12 means the annual corporate extension for the taxing district  
13 and those special purpose extensions that are made annually  
14 for the taxing district, excluding special purpose extensions:  
15 (a) made for the taxing district to pay interest or principal  
16 on general obligation bonds that were approved by referendum;  
17 (b) made for any taxing district to pay interest or principal  
18 on general obligation bonds issued before March 1, 1995; (c)  
19 made for any taxing district to pay interest or principal on  
20 bonds issued to refund or continue to refund those bonds  
21 issued before March 1, 1995; (d) made for any taxing district  
22 to pay interest or principal on bonds issued to refund or  
23 continue to refund bonds issued after March 1, 1995 that were  
24 approved by referendum; (e) made for any taxing district to  
25 pay interest or principal on revenue bonds issued before March  
26 1, 1995 for payment of which a property tax levy or the full

1 faith and credit of the unit of local government is pledged;  
2 however, a tax for the payment of interest or principal on  
3 those bonds shall be made only after the governing body of the  
4 unit of local government finds that all other sources for  
5 payment are insufficient to make those payments; (f) made for  
6 payments under a building commission lease when the lease  
7 payments are for the retirement of bonds issued by the  
8 commission before March 1, 1995 to pay for the building  
9 project; (g) made for payments due under installment contracts  
10 entered into before March 1, 1995; (h) made for payments of  
11 principal and interest on bonds issued under the Metropolitan  
12 Water Reclamation District Act to finance construction  
13 projects initiated before October 1, 1991; (h-4) made for  
14 stormwater management purposes by the Metropolitan Water  
15 Reclamation District of Greater Chicago under Section 12 of  
16 the Metropolitan Water Reclamation District Act; (h-8) made  
17 for payments of principal and interest on bonds issued under  
18 Section 9.6a of the Metropolitan Water Reclamation District  
19 Act to make contributions to the pension fund established  
20 under Article 13 of the Illinois Pension Code; (i) made for  
21 payments of principal and interest on limited bonds, as  
22 defined in Section 3 of the Local Government Debt Reform Act,  
23 in an amount not to exceed the debt service extension base less  
24 the amount in items (b), (c), and (e) of this definition for  
25 non-referendum obligations, except obligations initially  
26 issued pursuant to referendum and bonds described in

1 subsections (h) and (h-8) of this definition; (j) made for  
2 payments of principal and interest on bonds issued under  
3 Section 15 of the Local Government Debt Reform Act; (k) made  
4 for payments of principal and interest on bonds authorized by  
5 Public Act 88-503 and issued under Section 20a of the Chicago  
6 Park District Act for aquarium or museum projects and bonds  
7 issued under Section 20a of the Chicago Park District Act for  
8 the purpose of making contributions to the pension fund  
9 established under Article 12 of the Illinois Pension Code; (l)  
10 made for payments of principal and interest on bonds  
11 authorized by Public Act 87-1191 or 93-601 and (i) issued  
12 pursuant to Section 21.2 of the Cook County Forest Preserve  
13 District Act, (ii) issued under Section 42 of the Cook County  
14 Forest Preserve District Act for zoological park projects, or  
15 (iii) issued under Section 44.1 of the Cook County Forest  
16 Preserve District Act for botanical gardens projects; (m) made  
17 pursuant to Section 34-53.5 of the School Code, whether levied  
18 annually or not; (n) made to fund expenses of providing joint  
19 recreational programs for persons with disabilities under  
20 Section 5-8 of the Park District Code or Section 11-95-14 of  
21 the Illinois Municipal Code; (o) made by the Chicago Park  
22 District for recreational programs for persons with  
23 disabilities under subsection (c) of Section 7.06 of the  
24 Chicago Park District Act; (p) made for contributions to a  
25 firefighter's pension fund created under Article 4 of the  
26 Illinois Pension Code, to the extent of the amount certified



1 under item (5) of Section 4-134 of the Illinois Pension Code;  
2 (q) made by Ford Heights School District 169 under Section  
3 17-9.02 of the School Code; and (r) made for the purpose of  
4 making employer contributions to the Public School Teachers'  
5 Pension and Retirement Fund of Chicago under Section 34-53 of  
6 the School Code.

7 "Aggregate extension" for all taxing districts to which  
8 this Law applies in accordance with Section 18-213, except for  
9 those taxing districts subject to paragraph (2) of subsection  
10 (e) of Section 18-213, means the annual corporate extension  
11 for the taxing district and those special purpose extensions  
12 that are made annually for the taxing district, excluding  
13 special purpose extensions: (a) made for the taxing district  
14 to pay interest or principal on general obligation bonds that  
15 were approved by referendum; (b) made for any taxing district  
16 to pay interest or principal on general obligation bonds  
17 issued before the date on which the referendum making this Law  
18 applicable to the taxing district is held; (c) made for any  
19 taxing district to pay interest or principal on bonds issued  
20 to refund or continue to refund those bonds issued before the  
21 date on which the referendum making this Law applicable to the  
22 taxing district is held; (d) made for any taxing district to  
23 pay interest or principal on bonds issued to refund or  
24 continue to refund bonds issued after the date on which the  
25 referendum making this Law applicable to the taxing district  
26 is held if the bonds were approved by referendum after the date

1 on which the referendum making this Law applicable to the  
2 taxing district is held; (e) made for any taxing district to  
3 pay interest or principal on revenue bonds issued before the  
4 date on which the referendum making this Law applicable to the  
5 taxing district is held for payment of which a property tax  
6 levy or the full faith and credit of the unit of local  
7 government is pledged; however, a tax for the payment of  
8 interest or principal on those bonds shall be made only after  
9 the governing body of the unit of local government finds that  
10 all other sources for payment are insufficient to make those  
11 payments; (f) made for payments under a building commission  
12 lease when the lease payments are for the retirement of bonds  
13 issued by the commission before the date on which the  
14 referendum making this Law applicable to the taxing district  
15 is held to pay for the building project; (g) made for payments  
16 due under installment contracts entered into before the date  
17 on which the referendum making this Law applicable to the  
18 taxing district is held; (h) made for payments of principal  
19 and interest on limited bonds, as defined in Section 3 of the  
20 Local Government Debt Reform Act, in an amount not to exceed  
21 the debt service extension base less the amount in items (b),  
22 (c), and (e) of this definition for non-referendum  
23 obligations, except obligations initially issued pursuant to  
24 referendum; (i) made for payments of principal and interest on  
25 bonds issued under Section 15 of the Local Government Debt  
26 Reform Act; (j) made for a qualified airport authority to pay

1 interest or principal on general obligation bonds issued for  
2 the purpose of paying obligations due under, or financing  
3 airport facilities required to be acquired, constructed,  
4 installed or equipped pursuant to, contracts entered into  
5 before March 1, 1996 (but not including any amendments to such  
6 a contract taking effect on or after that date); (k) made to  
7 fund expenses of providing joint recreational programs for  
8 persons with disabilities under Section 5-8 of the Park  
9 District Code or Section 11-95-14 of the Illinois Municipal  
10 Code; (l) made for contributions to a firefighter's pension  
11 fund created under Article 4 of the Illinois Pension Code, to  
12 the extent of the amount certified under item (5) of Section  
13 4-134 of the Illinois Pension Code; and (m) made for the taxing  
14 district to pay interest or principal on general obligation  
15 bonds issued pursuant to Section 19-3.10 of the School Code.

16 "Aggregate extension" for all taxing districts to which  
17 this Law applies in accordance with paragraph (2) of  
18 subsection (e) of Section 18-213 or this amendatory Act of the  
19 103rd General Assembly means the annual corporate extension  
20 for the taxing district and those special purpose extensions  
21 that are made annually for the taxing district, excluding  
22 special purpose extensions: (a) made for the taxing district  
23 to pay interest or principal on general obligation bonds that  
24 were approved by referendum; (b) made for any taxing district  
25 to pay interest or principal on general obligation bonds  
26 issued before March 7, 1997 (the effective date of Public Act

1 89-718); (c) made for any taxing district to pay interest or  
2 principal on bonds issued to refund or continue to refund  
3 those bonds issued before March 7, 1997 (the effective date of  
4 Public Act 89-718); (d) made for any taxing district to pay  
5 interest or principal on bonds issued to refund or continue to  
6 refund bonds issued after March 7, 1997 (the effective date of  
7 Public Act 89-718) if the bonds were approved by referendum  
8 after March 7, 1997 (the effective date of Public Act 89-718);  
9 (e) made for any taxing district to pay interest or principal  
10 on revenue bonds issued before March 7, 1997 (the effective  
11 date of Public Act 89-718) for payment of which a property tax  
12 levy or the full faith and credit of the unit of local  
13 government is pledged; however, a tax for the payment of  
14 interest or principal on those bonds shall be made only after  
15 the governing body of the unit of local government finds that  
16 all other sources for payment are insufficient to make those  
17 payments; (f) made for payments under a building commission  
18 lease when the lease payments are for the retirement of bonds  
19 issued by the commission before March 7, 1997 (the effective  
20 date of Public Act 89-718) to pay for the building project; (g)  
21 made for payments due under installment contracts entered into  
22 before March 7, 1997 (the effective date of Public Act  
23 89-718); (h) made for payments of principal and interest on  
24 limited bonds, as defined in Section 3 of the Local Government  
25 Debt Reform Act, in an amount not to exceed the debt service  
26 extension base less the amount in items (b), (c), and (e) of

1 this definition for non-referendum obligations, except  
2 obligations initially issued pursuant to referendum; (i) made  
3 for payments of principal and interest on bonds issued under  
4 Section 15 of the Local Government Debt Reform Act; (j) made  
5 for a qualified airport authority to pay interest or principal  
6 on general obligation bonds issued for the purpose of paying  
7 obligations due under, or financing airport facilities  
8 required to be acquired, constructed, installed or equipped  
9 pursuant to, contracts entered into before March 1, 1996 (but  
10 not including any amendments to such a contract taking effect  
11 on or after that date); (k) made to fund expenses of providing  
12 joint recreational programs for persons with disabilities  
13 under Section 5-8 of the Park District Code or Section  
14 11-95-14 of the Illinois Municipal Code; and (l) made for  
15 contributions to a firefighter's pension fund created under  
16 Article 4 of the Illinois Pension Code, to the extent of the  
17 amount certified under item (5) of Section 4-134 of the  
18 Illinois Pension Code.

19 "Debt service extension base" means an amount equal to  
20 that portion of the extension for a taxing district for the  
21 1994 levy year, or for those taxing districts subject to this  
22 Law in accordance with Section 18-213, except for those  
23 subject to paragraph (2) of subsection (e) of Section 18-213,  
24 for the levy year in which the referendum making this Law  
25 applicable to the taxing district is held, or for those taxing  
26 districts subject to this Law in accordance with paragraph (2)

1 of subsection (e) of Section 18-213 for the 1996 levy year,  
2 constituting an extension for payment of principal and  
3 interest on bonds issued by the taxing district without  
4 referendum, but not including excluded non-referendum bonds.  
5 For park districts (i) that were first subject to this Law in  
6 1991 or 1995 and (ii) whose extension for the 1994 levy year  
7 for the payment of principal and interest on bonds issued by  
8 the park district without referendum (but not including  
9 excluded non-referendum bonds) was less than 51% of the amount  
10 for the 1991 levy year constituting an extension for payment  
11 of principal and interest on bonds issued by the park district  
12 without referendum (but not including excluded non-referendum  
13 bonds), "debt service extension base" means an amount equal to  
14 that portion of the extension for the 1991 levy year  
15 constituting an extension for payment of principal and  
16 interest on bonds issued by the park district without  
17 referendum (but not including excluded non-referendum bonds).  
18 A debt service extension base established or increased at any  
19 time pursuant to any provision of this Law, except Section  
20 18-212, shall be increased each year commencing with the later  
21 of (i) the 2009 levy year or (ii) the first levy year in which  
22 this Law becomes applicable to the taxing district, by the  
23 lesser of 5% or the percentage increase in the Consumer Price  
24 Index during the 12-month calendar year preceding the levy  
25 year. The debt service extension base may be established or  
26 increased as provided under Section 18-212. "Excluded

1 non-referendum bonds" means (i) bonds authorized by Public Act  
2 88-503 and issued under Section 20a of the Chicago Park  
3 District Act for aquarium and museum projects; (ii) bonds  
4 issued under Section 15 of the Local Government Debt Reform  
5 Act; or (iii) refunding obligations issued to refund or to  
6 continue to refund obligations initially issued pursuant to  
7 referendum.

8 "Special purpose extensions" include, but are not limited  
9 to, extensions for levies made on an annual basis for  
10 unemployment and workers' compensation, self-insurance,  
11 contributions to pension plans, and extensions made pursuant  
12 to Section 6-601 of the Illinois Highway Code for a road  
13 district's permanent road fund whether levied annually or not.  
14 The extension for a special service area is not included in the  
15 aggregate extension.

16 "Aggregate extension base" means the taxing district's  
17 last preceding aggregate extension as adjusted under Sections  
18 18-135, 18-215, 18-230, 18-206, and 18-233. Beginning with  
19 levy year 2022, for taxing districts that are specified in  
20 Section 18-190.7, the taxing district's aggregate extension  
21 base shall be calculated as provided in Section 18-190.7. An  
22 adjustment under Section 18-135 shall be made for the 2007  
23 levy year and all subsequent levy years whenever one or more  
24 counties within which a taxing district is located (i) used  
25 estimated valuations or rates when extending taxes in the  
26 taxing district for the last preceding levy year that resulted

1 in the over or under extension of taxes, or (ii) increased or  
2 decreased the tax extension for the last preceding levy year  
3 as required by Section 18-135(c). Whenever an adjustment is  
4 required under Section 18-135, the aggregate extension base of  
5 the taxing district shall be equal to the amount that the  
6 aggregate extension of the taxing district would have been for  
7 the last preceding levy year if either or both (i) actual,  
8 rather than estimated, valuations or rates had been used to  
9 calculate the extension of taxes for the last levy year, or  
10 (ii) the tax extension for the last preceding levy year had not  
11 been adjusted as required by subsection (c) of Section 18-135.

12 Notwithstanding any other provision of law, for levy year  
13 2012, the aggregate extension base for West Northfield School  
14 District No. 31 in Cook County shall be \$12,654,592.

15 Notwithstanding any other provision of law, for levy year  
16 2022, the aggregate extension base of a home equity assurance  
17 program that levied at least \$1,000,000 in property taxes in  
18 levy year 2019 or 2020 under the Home Equity Assurance Act  
19 shall be the amount that the program's aggregate extension  
20 base for levy year 2021 would have been if the program had  
21 levied a property tax for levy year 2021.

22 "Levy year" has the same meaning as "year" under Section  
23 1-155.

24 "New property" means (i) the assessed value, after final  
25 board of review or board of appeals action, of new  
26 improvements or additions to existing improvements on any



1 parcel of real property that increase the assessed value of  
2 that real property during the levy year multiplied by the  
3 equalization factor issued by the Department under Section  
4 17-30, (ii) the assessed value, after final board of review or  
5 board of appeals action, of real property not exempt from real  
6 estate taxation, which real property was exempt from real  
7 estate taxation for any portion of the immediately preceding  
8 levy year, multiplied by the equalization factor issued by the  
9 Department under Section 17-30, including the assessed value,  
10 upon final stabilization of occupancy after new construction  
11 is complete, of any real property located within the  
12 boundaries of an otherwise or previously exempt military  
13 reservation that is intended for residential use and owned by  
14 or leased to a private corporation or other entity, (iii) in  
15 counties that classify in accordance with Section 4 of Article  
16 IX of the Illinois Constitution, an incentive property's  
17 additional assessed value resulting from a scheduled increase  
18 in the level of assessment as applied to the first year final  
19 board of review market value, and (iv) any increase in  
20 assessed value due to oil or gas production from an oil or gas  
21 well required to be permitted under the Hydraulic Fracturing  
22 Regulatory Act that was not produced in or accounted for  
23 during the previous levy year. In addition, the county clerk  
24 in a county containing a population of 3,000,000 or more shall  
25 include in the 1997 recovered tax increment value for any  
26 school district, any recovered tax increment value that was

1 applicable to the 1995 tax year calculations.

2 "Qualified airport authority" means an airport authority  
3 organized under the Airport Authorities Act and located in a  
4 county bordering on the State of Wisconsin and having a  
5 population in excess of 200,000 and not greater than 500,000.

6 "Recovered tax increment value" means, except as otherwise  
7 provided in this paragraph, the amount of the current year's  
8 equalized assessed value, in the first year after a  
9 municipality terminates the designation of an area as a  
10 redevelopment project area previously established under the  
11 Tax Increment Allocation Redevelopment Act in the Illinois  
12 Municipal Code, previously established under the Industrial  
13 Jobs Recovery Law in the Illinois Municipal Code, previously  
14 established under the Economic Development Project Area Tax  
15 Increment Act of 1995, or previously established under the  
16 Economic Development Area Tax Increment Allocation Act, of  
17 each taxable lot, block, tract, or parcel of real property in  
18 the redevelopment project area over and above the initial  
19 equalized assessed value of each property in the redevelopment  
20 project area. For the taxes which are extended for the 1997  
21 levy year, the recovered tax increment value for a non-home  
22 rule taxing district that first became subject to this Law for  
23 the 1995 levy year because a majority of its 1994 equalized  
24 assessed value was in an affected county or counties shall be  
25 increased if a municipality terminated the designation of an  
26 area in 1993 as a redevelopment project area previously

1 established under the Tax Increment Allocation Redevelopment  
2 Act in the Illinois Municipal Code, previously established  
3 under the Industrial Jobs Recovery Law in the Illinois  
4 Municipal Code, or previously established under the Economic  
5 Development Area Tax Increment Allocation Act, by an amount  
6 equal to the 1994 equalized assessed value of each taxable  
7 lot, block, tract, or parcel of real property in the  
8 redevelopment project area over and above the initial  
9 equalized assessed value of each property in the redevelopment  
10 project area. In the first year after a municipality removes a  
11 taxable lot, block, tract, or parcel of real property from a  
12 redevelopment project area established under the Tax Increment  
13 Allocation Redevelopment Act in the Illinois Municipal Code,  
14 the Industrial Jobs Recovery Law in the Illinois Municipal  
15 Code, or the Economic Development Area Tax Increment  
16 Allocation Act, "recovered tax increment value" means the  
17 amount of the current year's equalized assessed value of each  
18 taxable lot, block, tract, or parcel of real property removed  
19 from the redevelopment project area over and above the initial  
20 equalized assessed value of that real property before removal  
21 from the redevelopment project area.

22 Except as otherwise provided in this Section, "limiting  
23 rate" means a fraction the numerator of which is the last  
24 preceding aggregate extension base times an amount equal to  
25 one plus the extension limitation defined in this Section and  
26 the denominator of which is the current year's equalized

1 assessed value of all real property in the territory under the  
2 jurisdiction of the taxing district during the prior levy  
3 year. For those taxing districts that reduced their aggregate  
4 extension for the last preceding levy year, except for school  
5 districts that reduced their extension for educational  
6 purposes pursuant to Section 18-206, the highest aggregate  
7 extension in any of the last 3 preceding levy years shall be  
8 used for the purpose of computing the limiting rate. The  
9 denominator shall not include new property or the recovered  
10 tax increment value. If a new rate, a rate decrease, or a  
11 limiting rate increase has been approved at an election held  
12 after March 21, 2006, then (i) the otherwise applicable  
13 limiting rate shall be increased by the amount of the new rate  
14 or shall be reduced by the amount of the rate decrease, as the  
15 case may be, or (ii) in the case of a limiting rate increase,  
16 the limiting rate shall be equal to the rate set forth in the  
17 proposition approved by the voters for each of the years  
18 specified in the proposition, after which the limiting rate of  
19 the taxing district shall be calculated as otherwise provided.  
20 In the case of a taxing district that obtained referendum  
21 approval for an increased limiting rate on March 20, 2012, the  
22 limiting rate for tax year 2012 shall be the rate that  
23 generates the approximate total amount of taxes extendable for  
24 that tax year, as set forth in the proposition approved by the  
25 voters; this rate shall be the final rate applied by the county  
26 clerk for the aggregate of all capped funds of the district for

1 tax year 2012.

2 (Source: P.A. 102-263, eff. 8-6-21; 102-311, eff. 8-6-21;  
3 102-519, eff. 8-20-21; 102-558, eff. 8-20-21; 102-707, eff.  
4 4-22-22; 102-813, eff. 5-13-22; 102-895, eff. 5-23-22; revised  
5 8-29-22.)

6 (35 ILCS 200/18-205)

7 Sec. 18-205. Referendum to increase the extension  
8 limitation. A taxing district is limited to an extension  
9 limitation as defined in Section 18-185 ~~of 5% or the~~  
10 ~~percentage increase in the Consumer Price Index during the~~  
11 ~~12-month calendar year preceding the levy year, whichever is~~  
12 ~~less~~. A taxing district may increase its extension limitation  
13 for one or more levy years if that taxing district holds a  
14 referendum before the levy date for the first levy year at  
15 which a majority of voters voting on the issue approves  
16 adoption of a higher extension limitation. Referenda shall be  
17 conducted at a regularly scheduled election in accordance with  
18 the Election Code. The question shall be presented in  
19 substantially the following manner ~~for all elections held~~  
20 ~~after March 21, 2006~~:

21 Shall the extension limitation under the Property Tax  
22 Extension Limitation Law for (insert the legal name,  
23 number, if any, and county or counties of the taxing  
24 district and geographic or other common name by which a  
25 school or community college district is known and referred

1 to), Illinois, be increased from the lesser of 5% or the  
2 percentage increase in the Consumer Price Index over the  
3 prior levy year to (insert the percentage of the proposed  
4 increase)% per year for (insert each levy year for which  
5 the increased extension limitation will apply)?

6 In the case of a taxing district that had reserves of 50%  
7 or more of its operating budget at the end of the immediately  
8 preceding levy year, the question shall be presented in  
9 substantially the following manner:

10 Shall the extension limitation under the Property Tax  
11 Extension Limitation Law for (insert the legal name,  
12 number, if any, and county or counties of the taxing  
13 district and geographic or other common name by which a  
14 school or community college district is known and referred  
15 to), Illinois, be increased from 0% to (insert the  
16 percentage of the proposed increase)% per year for (insert  
17 each levy year for which the increased extension  
18 limitation will apply)?

19 The votes must be recorded as "Yes" or "No".

20 If a majority of voters voting on the issue approves the  
21 adoption of the increase, the increase shall be applicable for  
22 each levy year specified.

23 The ballot for any question submitted pursuant to this  
24 Section shall have printed thereon, but not as a part of the  
25 question submitted, only the following supplemental  
26 information (which shall be supplied to the election authority

1 by the taxing district) in substantially the following form:

2 (1) For the (insert the first levy year for which the  
3 increased extension limitation will be applicable) levy  
4 year the approximate amount of the additional tax  
5 extendable against property containing a single family  
6 residence and having a fair market value at the time of the  
7 referendum of \$100,000 is estimated to be \$....

8 (2) Based upon an average annual percentage increase  
9 (or decrease) in the market value of such property of ...%  
10 (insert percentage equal to the average annual percentage  
11 increase or decrease for the prior 3 levy years, at the  
12 time the submission of the question is initiated by the  
13 taxing district, in the amount of (A) the equalized  
14 assessed value of the taxable property in the taxing  
15 district less (B) the new property included in the  
16 equalized assessed value), the approximate amount of the  
17 additional tax extendable against such property for the  
18 ... levy year is estimated to be \$... and for the ... levy  
19 year is estimated to be \$....

20 Paragraph (2) shall be included only if the increased  
21 extension limitation will be applicable for more than one year  
22 and shall list each levy year for which the increased  
23 extension limitation will be applicable. The additional tax  
24 shown for each levy year shall be the approximate dollar  
25 amount of the increase over the amount of the most recently  
26 completed extension at the time the submission of the question

1 is initiated by the taxing district. The approximate amount of  
2 the additional tax extendable shown in paragraphs (1) and (2)  
3 shall be calculated by multiplying \$100,000 (the fair market  
4 value of the property without regard to any property tax  
5 exemptions) by (i) the percentage level of assessment  
6 prescribed for that property by statute, or by ordinance of  
7 the county board in counties that classify property for  
8 purposes of taxation in accordance with Section 4 of Article  
9 IX of the Illinois Constitution; (ii) the most recent final  
10 equalization factor certified to the county clerk by the  
11 Department of Revenue at the time the taxing district  
12 initiates the submission of the proposition to the electors;  
13 (iii) the last known aggregate extension base of the taxing  
14 district at the time the submission of the question is  
15 initiated by the taxing district; and (iv) the difference  
16 between the percentage increase proposed in the question and  
17 (A) the lesser of 5% or the percentage increase in the Consumer  
18 Price Index for the prior levy year (or an estimate of the  
19 percentage increase for the prior levy year if the increase is  
20 unavailable at the time the submission of the question is  
21 initiated by the taxing district) or (B) 0%, as applicable;  
22 and dividing the result by the last known equalized assessed  
23 value of the taxing district at the time the submission of the  
24 question is initiated by the taxing district. This amendatory  
25 Act of the 97th General Assembly is intended to clarify the  
26 existing requirements of this Section, and shall not be



1 construed to validate any prior non-compliant referendum  
2 language. Any notice required to be published in connection  
3 with the submission of the question shall also contain this  
4 supplemental information and shall not contain any other  
5 supplemental information. Any error, miscalculation, or  
6 inaccuracy in computing any amount set forth on the ballot or  
7 in the notice that is not deliberate shall not invalidate or  
8 affect the validity of any proposition approved. Notice of the  
9 referendum shall be published and posted as otherwise required  
10 by law, and the submission of the question shall be initiated  
11 as provided by law.

12 (Source: P.A. 97-1087, eff. 8-24-12.)

13 (35 ILCS 200/18-242 new)

14 Sec. 18-242. Home rule. This Division 5 is a limitation,  
15 under subsection (g) of Section 6 of Article VII of the  
16 Illinois Constitution, on the power of home rule units to tax.

17 Section 90. The State Mandates Act is amended by adding  
18 Section 8.47 as follows:

19 (30 ILCS 805/8.47 new)

20 Sec. 8.47. Exempt mandate. Notwithstanding Sections 6 and  
21 8 of this Act, no reimbursement by the State is required for  
22 the implementation of any mandate created by this amendatory  
23 Act of the 103rd General Assembly.

1           Section 99. Effective date. This Act takes effect upon  
2           becoming law.