

# HB4695



## 103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB4695

Introduced 2/6/2024, by Rep. Tim Ozinga

### SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-50.3 new  
35 ILCS 200/18-185

Amends the Property Tax Code. Sets forth procedures for calculating a taxing district's maximum extension if the taxing district's population has decreased when compared with the taxing district's population in the immediately preceding taxable year. Effective immediately.

LRB103 36311 HLH 66409 b

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 changing  
5 Section 18-185 and by adding Section 18-50.3 as follows:

6 (35 ILCS 200/18-50.3 new)

7 Sec. 18-50.3. Limitation on tax extensions.

8 Notwithstanding any other provision of law, beginning in  
9 taxable year 2025, prior to calculating the aggregate  
10 extension for any taxing district that is subject to a maximum  
11 extension limitation under any provision of law, the county  
12 clerk shall determine the change in the taxing district's  
13 population when compared with the taxing district's population  
14 in the immediately preceding taxable year using the population  
15 estimates prepared by the United States Census Bureau. If the  
16 county clerk determines that the population of the taxing  
17 district has decreased, the county clerk shall extend for that  
18 taxing district a rate against all taxable property in the  
19 taxing district that generates an amount that does not exceed  
20 the lesser of (i) the taxing district's aggregate extension  
21 for the taxable year or (ii) the taxing district's maximum  
22 aggregate extension for the taxable year, multiplied by 1  
23 minus the percentage decrease in the taxing district's

1 population when compared with the taxing district's population  
2 in the immediately preceding taxable year.

3 As used in this Section:

4 "Aggregate extension" means the annual corporate extension  
5 for the taxing district and those special purpose extensions  
6 that are made annually for the taxing district.

7 "Maximum aggregate extension" means the maximum amount  
8 that the taxing district is allowed to extend by law without  
9 regard to the adjustment under this Section.

10 (35 ILCS 200/18-185)

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

14 "Consumer Price Index" means the Consumer Price Index for  
15 All Urban Consumers for all items published by the United  
16 States Department of Labor.

17 "Extension limitation" means (a) the lesser of 5% or the  
18 percentage increase in the Consumer Price Index during the  
19 12-month calendar year preceding the levy year or (b) the rate  
20 of increase approved by voters under Section 18-205.

21 "Affected county" means a county of 3,000,000 or more  
22 inhabitants or a county contiguous to a county of 3,000,000 or  
23 more inhabitants.

24 "Taxing district" has the same meaning provided in Section  
25 1-150, except as otherwise provided in this Section. For the

1 1991 through 1994 levy years only, "taxing district" includes  
2 only each non-home rule taxing district having the majority of  
3 its 1990 equalized assessed value within any county or  
4 counties contiguous to a county with 3,000,000 or more  
5 inhabitants. Beginning with the 1995 levy year, "taxing  
6 district" includes only each non-home rule taxing district  
7 subject to this Law before the 1995 levy year and each non-home  
8 rule taxing district not subject to this Law before the 1995  
9 levy year having the majority of its 1994 equalized assessed  
10 value in an affected county or counties. Beginning with the  
11 levy year in which this Law becomes applicable to a taxing  
12 district as provided in Section 18-213, "taxing district" also  
13 includes those taxing districts made subject to this Law as  
14 provided in Section 18-213.

15 "Aggregate extension" for taxing districts to which this  
16 Law applied before the 1995 levy year means the annual  
17 corporate extension for the taxing district and those special  
18 purpose extensions that are made annually for the taxing  
19 district, excluding special purpose extensions: (a) made for  
20 the taxing district to pay interest or principal on general  
21 obligation bonds that were approved by referendum; (b) made  
22 for any taxing district to pay interest or principal on  
23 general obligation bonds issued before October 1, 1991; (c)  
24 made for any taxing district to pay interest or principal on  
25 bonds issued to refund or continue to refund those bonds  
26 issued before October 1, 1991; (d) made for any taxing

1 district to pay interest or principal on bonds issued to  
2 refund or continue to refund bonds issued after October 1,  
3 1991 that were approved by referendum; (e) made for any taxing  
4 district to pay interest or principal on revenue bonds issued  
5 before October 1, 1991 for payment of which a property tax levy  
6 or the full faith and credit of the unit of local government is  
7 pledged; however, a tax for the payment of interest or  
8 principal on those bonds shall be made only after the  
9 governing body of the unit of local government finds that all  
10 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 October 1, 1991, to pay for the  
14 building project; (g) made for payments due under installment  
15 contracts entered into before October 1, 1991; (h) made for  
16 payments of principal and interest on bonds issued under the  
17 Metropolitan Water Reclamation District Act to finance  
18 construction projects initiated before October 1, 1991; (i)  
19 made for payments of principal and interest on limited bonds,  
20 as defined in Section 3 of the Local Government Debt Reform  
21 Act, in an amount not to exceed the debt service extension base  
22 less the amount in items (b), (c), (e), and (h) of this  
23 definition for non-referendum obligations, except obligations  
24 initially issued pursuant to referendum; (j) made for payments  
25 of principal and interest on bonds issued under Section 15 of  
26 the Local Government Debt Reform Act; (k) made by a school

1 district that participates in the Special Education District  
2 of Lake County, created by special education joint agreement  
3 under Section 10-22.31 of the School Code, for payment of the  
4 school district's share of the amounts required to be  
5 contributed by the Special Education District of Lake County  
6 to the Illinois Municipal Retirement Fund under Article 7 of  
7 the Illinois Pension Code; the amount of any extension under  
8 this item (k) shall be certified by the school district to the  
9 county clerk; (l) made to fund expenses of providing joint  
10 recreational programs for persons with disabilities under  
11 Section 5-8 of the Park District Code or Section 11-95-14 of  
12 the Illinois Municipal Code; (m) made for temporary relocation  
13 loan repayment purposes pursuant to Sections 2-3.77 and  
14 17-2.2d of the School Code; (n) made for payment of principal  
15 and interest on any bonds issued under the authority of  
16 Section 17-2.2d of the School Code; (o) made for contributions  
17 to a firefighter's pension fund created under Article 4 of the  
18 Illinois Pension Code, to the extent of the amount certified  
19 under item (5) of Section 4-134 of the Illinois Pension Code;  
20 and (p) made for road purposes in the first year after a  
21 township assumes the rights, powers, duties, assets, property,  
22 liabilities, obligations, and responsibilities of a road  
23 district abolished under the provisions of Section 6-133 of  
24 the Illinois Highway Code.

25 "Aggregate extension" for the taxing districts to which  
26 this Law did not apply before the 1995 levy year (except taxing

1 districts subject to this Law in accordance with Section  
2 18-213) means the annual corporate extension for the taxing  
3 district and those special purpose extensions that are made  
4 annually for the taxing district, excluding special purpose  
5 extensions: (a) made for the taxing district to pay interest  
6 or principal on general obligation bonds that were approved by  
7 referendum; (b) made for any taxing district to pay interest  
8 or principal on general obligation bonds issued before March  
9 1, 1995; (c) made for any taxing district to pay interest or  
10 principal on bonds issued to refund or continue to refund  
11 those bonds issued before March 1, 1995; (d) made for any  
12 taxing district to pay interest or principal on bonds issued  
13 to refund or continue to refund bonds issued after March 1,  
14 1995 that were approved by referendum; (e) made for any taxing  
15 district to pay interest or principal on revenue bonds issued  
16 before March 1, 1995 for payment of which a property tax levy  
17 or the full faith and credit of the unit of local government is  
18 pledged; however, a tax for the payment of interest or  
19 principal on those bonds shall be made only after the  
20 governing body of the unit of local government finds that all  
21 other sources for payment are insufficient to make those  
22 payments; (f) made for payments under a building commission  
23 lease when the lease payments are for the retirement of bonds  
24 issued by the commission before March 1, 1995 to pay for the  
25 building project; (g) made for payments due under installment  
26 contracts entered into before March 1, 1995; (h) made for

1 payments of principal and interest on bonds issued under the  
2 Metropolitan Water Reclamation District Act to finance  
3 construction projects initiated before October 1, 1991; (h-4)  
4 made for stormwater management purposes by the Metropolitan  
5 Water Reclamation District of Greater Chicago under Section 12  
6 of the Metropolitan Water Reclamation District Act; (h-8) made  
7 for payments of principal and interest on bonds issued under  
8 Section 9.6a of the Metropolitan Water Reclamation District  
9 Act to make contributions to the pension fund established  
10 under Article 13 of the Illinois Pension Code; (i) made for  
11 payments of principal and interest on limited bonds, as  
12 defined in Section 3 of the Local Government Debt Reform Act,  
13 in an amount not to exceed the debt service extension base less  
14 the amount in items (b), (c), and (e) of this definition for  
15 non-referendum obligations, except obligations initially  
16 issued pursuant to referendum and bonds described in  
17 subsections (h) and (h-8) of this definition; (j) made for  
18 payments of principal and interest on bonds issued under  
19 Section 15 of the Local Government Debt Reform Act; (k) made  
20 for payments of principal and interest on bonds authorized by  
21 Public Act 88-503 and issued under Section 20a of the Chicago  
22 Park District Act for aquarium or museum projects and bonds  
23 issued under Section 20a of the Chicago Park District Act for  
24 the purpose of making contributions to the pension fund  
25 established under Article 12 of the Illinois Pension Code; (l)  
26 made for payments of principal and interest on bonds



1 authorized by Public Act 87-1191 or 93-601 and (i) issued  
2 pursuant to Section 21.2 of the Cook County Forest Preserve  
3 District Act, (ii) issued under Section 42 of the Cook County  
4 Forest Preserve District Act for zoological park projects, or  
5 (iii) issued under Section 44.1 of the Cook County Forest  
6 Preserve District Act for botanical gardens projects; (m) made  
7 pursuant to Section 34-53.5 of the School Code, whether levied  
8 annually or not; (n) made to fund expenses of providing joint  
9 recreational programs for persons with disabilities under  
10 Section 5-8 of the Park District Code or Section 11-95-14 of  
11 the Illinois Municipal Code; (o) made by the Chicago Park  
12 District for recreational programs for persons with  
13 disabilities under subsection (c) of Section 7.06 of the  
14 Chicago Park District Act; (p) made for contributions to a  
15 firefighter's pension fund created under Article 4 of the  
16 Illinois Pension Code, to the extent of the amount certified  
17 under item (5) of Section 4-134 of the Illinois Pension Code;  
18 (q) made by Ford Heights School District 169 under Section  
19 17-9.02 of the School Code; and (r) made for the purpose of  
20 making employer contributions to the Public School Teachers'  
21 Pension and Retirement Fund of Chicago under Section 34-53 of  
22 the School Code.

23 "Aggregate extension" for all taxing districts to which  
24 this Law applies in accordance with Section 18-213, except for  
25 those taxing districts subject to paragraph (2) of subsection  
26 (e) of Section 18-213, means the annual corporate extension

1 for the taxing district and those special purpose extensions  
2 that are made annually for the taxing district, excluding  
3 special purpose extensions: (a) made for the taxing district  
4 to pay interest or principal on general obligation bonds that  
5 were approved by referendum; (b) made for any taxing district  
6 to pay interest or principal on general obligation bonds  
7 issued before the date on which the referendum making this Law  
8 applicable to the taxing district is held; (c) made for any  
9 taxing district to pay interest or principal on bonds issued  
10 to refund or continue to refund those bonds issued before the  
11 date on which the referendum making this Law applicable to the  
12 taxing district is held; (d) made for any taxing district to  
13 pay interest or principal on bonds issued to refund or  
14 continue to refund bonds issued after the date on which the  
15 referendum making this Law applicable to the taxing district  
16 is held if the bonds were approved by referendum after the date  
17 on which the referendum making this Law applicable to the  
18 taxing district is held; (e) made for any taxing district to  
19 pay interest or principal on revenue bonds issued before the  
20 date on which the referendum making this Law applicable to the  
21 taxing district is held for payment of which a property tax  
22 levy or the full faith and credit of the unit of local  
23 government is pledged; however, a tax for the payment of  
24 interest or principal on those bonds shall be made only after  
25 the governing body of the unit of local government finds that  
26 all other sources for payment are insufficient to make those

1 payments; (f) made for payments under a building commission  
2 lease when the lease payments are for the retirement of bonds  
3 issued by the commission before the date on which the  
4 referendum making this Law applicable to the taxing district  
5 is held to pay for the building project; (g) made for payments  
6 due under installment contracts entered into before the date  
7 on which the referendum making this Law applicable to the  
8 taxing district is held; (h) made for payments of principal  
9 and interest on limited bonds, as defined in Section 3 of the  
10 Local Government Debt Reform Act, in an amount not to exceed  
11 the debt service extension base less the amount in items (b),  
12 (c), and (e) of this definition for non-referendum  
13 obligations, except obligations initially issued pursuant to  
14 referendum; (i) made for payments of principal and interest on  
15 bonds issued under Section 15 of the Local Government Debt  
16 Reform Act; (j) made for a qualified airport authority to pay  
17 interest or principal on general obligation bonds issued for  
18 the purpose of paying obligations due under, or financing  
19 airport facilities required to be acquired, constructed,  
20 installed or equipped pursuant to, contracts entered into  
21 before March 1, 1996 (but not including any amendments to such  
22 a contract taking effect on or after that date); (k) made to  
23 fund expenses of providing joint recreational programs for  
24 persons with disabilities under Section 5-8 of the Park  
25 District Code or Section 11-95-14 of the Illinois Municipal  
26 Code; (l) made for contributions to a firefighter's pension

1 fund created under Article 4 of the Illinois Pension Code, to  
2 the extent of the amount certified under item (5) of Section  
3 4-134 of the Illinois Pension Code; and (m) made for the taxing  
4 district to pay interest or principal on general obligation  
5 bonds issued pursuant to Section 19-3.10 of the School Code.

6 "Aggregate extension" for all taxing districts to which  
7 this Law applies in accordance with paragraph (2) of  
8 subsection (e) of Section 18-213 means the annual corporate  
9 extension for the taxing district and those special purpose  
10 extensions that are made annually for the taxing district,  
11 excluding special purpose extensions: (a) made for the taxing  
12 district to pay interest or principal on general obligation  
13 bonds that were approved by referendum; (b) made for any  
14 taxing district to pay interest or principal on general  
15 obligation bonds issued before March 7, 1997 (the effective  
16 date of Public Act 89-718); (c) made for any taxing district to  
17 pay interest or principal on bonds issued to refund or  
18 continue to refund those bonds issued before March 7, 1997  
19 (the effective date of Public Act 89-718); (d) made for any  
20 taxing district to pay interest or principal on bonds issued  
21 to refund or continue to refund bonds issued after March 7,  
22 1997 (the effective date of Public Act 89-718) if the bonds  
23 were approved by referendum after March 7, 1997 (the effective  
24 date of Public Act 89-718); (e) made for any taxing district to  
25 pay interest or principal on revenue bonds issued before March  
26 7, 1997 (the effective date of Public Act 89-718) for payment

1 of which a property tax levy or the full faith and credit of  
2 the unit of local government is pledged; however, a tax for the  
3 payment of interest or principal on those bonds shall be made  
4 only after the governing body of the unit of local government  
5 finds that all other sources for payment are insufficient to  
6 make those payments; (f) made for payments under a building  
7 commission lease when the lease payments are for the  
8 retirement of bonds issued by the commission before March 7,  
9 1997 (the effective date of Public Act 89-718) to pay for the  
10 building project; (g) made for payments due under installment  
11 contracts entered into before March 7, 1997 (the effective  
12 date of Public Act 89-718); (h) made for payments of principal  
13 and interest on limited bonds, as defined in Section 3 of the  
14 Local Government Debt Reform Act, in an amount not to exceed  
15 the debt service extension base less the amount in items (b),  
16 (c), and (e) of this definition for non-referendum  
17 obligations, except obligations initially issued pursuant to  
18 referendum; (i) made for payments of principal and interest on  
19 bonds issued under Section 15 of the Local Government Debt  
20 Reform Act; (j) made for a qualified airport authority to pay  
21 interest or principal on general obligation bonds issued for  
22 the purpose of paying obligations due under, or financing  
23 airport facilities required to be acquired, constructed,  
24 installed or equipped pursuant to, contracts entered into  
25 before March 1, 1996 (but not including any amendments to such  
26 a contract taking effect on or after that date); (k) made to

1 fund expenses of providing joint recreational programs for  
2 persons with disabilities under Section 5-8 of the Park  
3 District Code or Section 11-95-14 of the Illinois Municipal  
4 Code; and (1) made for contributions to a firefighter's  
5 pension fund created under Article 4 of the Illinois Pension  
6 Code, to the extent of the amount certified under item (5) of  
7 Section 4-134 of the Illinois Pension Code.

8 "Debt service extension base" means an amount equal to  
9 that portion of the extension for a taxing district for the  
10 1994 levy year, or for those taxing districts subject to this  
11 Law in accordance with Section 18-213, except for those  
12 subject to paragraph (2) of subsection (e) of Section 18-213,  
13 for the levy year in which the referendum making this Law  
14 applicable to the taxing district is held, or for those taxing  
15 districts subject to this Law in accordance with paragraph (2)  
16 of subsection (e) of Section 18-213 for the 1996 levy year,  
17 constituting an extension for payment of principal and  
18 interest on bonds issued by the taxing district without  
19 referendum, but not including excluded non-referendum bonds.  
20 For park districts (i) that were first subject to this Law in  
21 1991 or 1995 and (ii) whose extension for the 1994 levy year  
22 for the payment of principal and interest on bonds issued by  
23 the park district without referendum (but not including  
24 excluded non-referendum bonds) was less than 51% of the amount  
25 for the 1991 levy year constituting an extension for payment  
26 of principal and interest on bonds issued by the park district

1 without referendum (but not including excluded non-referendum  
2 bonds), "debt service extension base" means an amount equal to  
3 that portion of the extension for the 1991 levy year  
4 constituting an extension for payment of principal and  
5 interest on bonds issued by the park district without  
6 referendum (but not including excluded non-referendum bonds).  
7 A debt service extension base established or increased at any  
8 time pursuant to any provision of this Law, except Section  
9 18-212, shall be increased each year commencing with the later  
10 of (i) the 2009 levy year or (ii) the first levy year in which  
11 this Law becomes applicable to the taxing district, by the  
12 lesser of 5% or the percentage increase in the Consumer Price  
13 Index during the 12-month calendar year preceding the levy  
14 year. The debt service extension base may be established or  
15 increased as provided under Section 18-212. "Excluded  
16 non-referendum bonds" means (i) bonds authorized by Public Act  
17 88-503 and issued under Section 20a of the Chicago Park  
18 District Act for aquarium and museum projects; (ii) bonds  
19 issued under Section 15 of the Local Government Debt Reform  
20 Act; or (iii) refunding obligations issued to refund or to  
21 continue to refund obligations initially issued pursuant to  
22 referendum.

23 "Special purpose extensions" include, but are not limited  
24 to, extensions for levies made on an annual basis for  
25 unemployment and workers' compensation, self-insurance,  
26 contributions to pension plans, and extensions made pursuant

1 to Section 6-601 of the Illinois Highway Code for a road  
2 district's permanent road fund whether levied annually or not.  
3 The extension for a special service area is not included in the  
4 aggregate extension.

5 "Aggregate extension base" means the taxing district's  
6 last preceding aggregate extension as adjusted under Sections  
7 18-135, 18-215, 18-230, 18-206, and 18-233. Beginning with  
8 levy year 2022, for taxing districts that are specified in  
9 Section 18-190.7, the taxing district's aggregate extension  
10 base shall be calculated as provided in Section 18-190.7. An  
11 adjustment under Section 18-135 shall be made for the 2007  
12 levy year and all subsequent levy years whenever one or more  
13 counties within which a taxing district is located (i) used  
14 estimated valuations or rates when extending taxes in the  
15 taxing district for the last preceding levy year that resulted  
16 in the over or under extension of taxes, or (ii) increased or  
17 decreased the tax extension for the last preceding levy year  
18 as required by Section 18-135(c). Whenever an adjustment is  
19 required under Section 18-135, the aggregate extension base of  
20 the taxing district shall be equal to the amount that the  
21 aggregate extension of the taxing district would have been for  
22 the last preceding levy year if either or both (i) actual,  
23 rather than estimated, valuations or rates had been used to  
24 calculate the extension of taxes for the last levy year, or  
25 (ii) the tax extension for the last preceding levy year had not  
26 been adjusted as required by subsection (c) of Section 18-135.



1           Notwithstanding any other provision of law, for levy year  
2 2012, the aggregate extension base for West Northfield School  
3 District No. 31 in Cook County shall be \$12,654,592.

4           Notwithstanding any other provision of law, for levy year  
5 2022, the aggregate extension base of a home equity assurance  
6 program that levied at least \$1,000,000 in property taxes in  
7 levy year 2019 or 2020 under the Home Equity Assurance Act  
8 shall be the amount that the program's aggregate extension  
9 base for levy year 2021 would have been if the program had  
10 levied a property tax for levy year 2021.

11           "Levy year" has the same meaning as "year" under Section  
12 1-155.

13           "New property" means (i) the assessed value, after final  
14 board of review or board of appeals action, of new  
15 improvements or additions to existing improvements on any  
16 parcel of real property that increase the assessed value of  
17 that real property during the levy year multiplied by the  
18 equalization factor issued by the Department under Section  
19 17-30, (ii) the assessed value, after final board of review or  
20 board of appeals action, of real property not exempt from real  
21 estate taxation, which real property was exempt from real  
22 estate taxation for any portion of the immediately preceding  
23 levy year, multiplied by the equalization factor issued by the  
24 Department under Section 17-30, including the assessed value,  
25 upon final stabilization of occupancy after new construction  
26 is complete, of any real property located within the

1 boundaries of an otherwise or previously exempt military  
2 reservation that is intended for residential use and owned by  
3 or leased to a private corporation or other entity, (iii) in  
4 counties that classify in accordance with Section 4 of Article  
5 IX of the Illinois Constitution, an incentive property's  
6 additional assessed value resulting from a scheduled increase  
7 in the level of assessment as applied to the first year final  
8 board of review market value, and (iv) any increase in  
9 assessed value due to oil or gas production from an oil or gas  
10 well required to be permitted under the Hydraulic Fracturing  
11 Regulatory Act that was not produced in or accounted for  
12 during the previous levy year. In addition, the county clerk  
13 in a county containing a population of 3,000,000 or more shall  
14 include in the 1997 recovered tax increment value for any  
15 school district, any recovered tax increment value that was  
16 applicable to the 1995 tax year calculations.

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

21 "Recovered tax increment value" means, except as otherwise  
22 provided in this paragraph, the amount of the current year's  
23 equalized assessed value, in the first year after a  
24 municipality terminates the designation of an area as a  
25 redevelopment project area previously established under the  
26 Tax Increment Allocation Redevelopment Act in the Illinois

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

1 redevelopment project area established under the Tax Increment  
2 Allocation Redevelopment Act in the Illinois Municipal Code,  
3 the Industrial Jobs Recovery Law in the Illinois Municipal  
4 Code, or the Economic Development Area Tax Increment  
5 Allocation Act, "recovered tax increment value" means the  
6 amount of the current year's equalized assessed value of each  
7 taxable lot, block, tract, or parcel of real property removed  
8 from the redevelopment project area over and above the initial  
9 equalized assessed value of that real property before removal  
10 from the redevelopment project area.

11 Except as otherwise provided in this Section, "limiting  
12 rate" means a fraction the numerator of which is the last  
13 preceding aggregate extension base times an amount equal to  
14 one plus the extension limitation defined in this Section and  
15 the denominator of which is the current year's equalized  
16 assessed value of all real property in the territory under the  
17 jurisdiction of the taxing district during the prior levy  
18 year. For those taxing districts that reduced their aggregate  
19 extension for the last preceding levy year, except for school  
20 districts that reduced their extension for educational  
21 purposes pursuant to Section 18-206, the highest aggregate  
22 extension in any of the last 3 preceding levy years shall be  
23 used for the purpose of computing the limiting rate. The  
24 denominator shall not include new property or the recovered  
25 tax increment value. If a new rate, a rate decrease, or a  
26 limiting rate increase has been approved at an election held

1 after March 21, 2006, then (i) the otherwise applicable  
2 limiting rate shall be increased by the amount of the new rate  
3 or shall be reduced by the amount of the rate decrease, as the  
4 case may be, or (ii) in the case of a limiting rate increase,  
5 the limiting rate shall be equal to the rate set forth in the  
6 proposition approved by the voters for each of the years  
7 specified in the proposition, after which the limiting rate of  
8 the taxing district shall be calculated as otherwise provided.

9 In the case of a taxing district that obtained referendum  
10 approval for an increased limiting rate on March 20, 2012, the  
11 limiting rate for tax year 2012 shall be the rate that  
12 generates the approximate total amount of taxes extendable for  
13 that tax year, as set forth in the proposition approved by the  
14 voters; this rate shall be the final rate applied by the county  
15 clerk for the aggregate of all capped funds of the district for  
16 tax year 2012. For taxable years 2024 and thereafter, the  
17 limiting rate is subject to adjustment under Section 18-50.3.

18 (Source: P.A. 102-263, eff. 8-6-21; 102-311, eff. 8-6-21;  
19 102-519, eff. 8-20-21; 102-558, eff. 8-20-21; 102-707, eff.  
20 4-22-22; 102-813, eff. 5-13-22; 102-895, eff. 5-23-22;  
21 103-154, eff. 6-30-23.)

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