



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB5552

Introduced 2/9/2024, by Rep. Brad Stephens

SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-161 new
35 ILCS 200/18-233

Amends the Property Tax Code. Provides that, beginning in taxable year 2024, no taxing district, other than a home rule unit, may levy a tax on any parcel of real property that is more than 105% of the tax levied by that taxing district on that property in the immediately preceding taxable year unless (i) the increase is attributable to substantial improvements to the property, (ii) the taxing district did not levy a tax against the property in the previous taxable year, or (iii) the increase is attributable to a special service area. Provides that a taxing district may elect to be exempt from these provisions for one or more taxable years if the exemption is approved by referendum. Effective immediately.

LRB103 35500 HLH 65570 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 18-233 and by adding Section 18-161 as follows:

6 (35 ILCS 200/18-161 new)

7 Sec. 18-161. Taxing district extension limitation.

8 (a) Notwithstanding any other provision of law, beginning
9 in taxable year 2024, no taxing district may levy a tax on any
10 parcel of real property under this Code that is more than 105%
11 of the tax levied by that taxing district on that property in
12 the immediately preceding taxable year unless (i) the increase
13 is attributable to substantial improvements to the property,
14 (ii) the taxing district did not levy a tax against the
15 property in the previous taxable year, or (iii) the increase
16 is attributable to a special service area. The limitation
17 under this Section includes any increase attributable to an
18 adjustment under Section 18-233.

19 (b) A taxing district may elect to be exempt from the
20 provisions of subsection (a) for one or more taxable years if
21 the exemption is approved by a referendum held before January
22 1 of the first taxable year during which the exemption
23 applies. Referenda shall be conducted at a regularly scheduled

1 election held in accordance with the Election Code. The
2 question shall be presented in substantially the following
3 form:

4 "For (taxable years), shall (taxing district) be
5 exempt from the provisions of Section 18-161 of the
6 Property Tax Code, which limits increases in the taxes
7 levied by the taxing against real property to 5% per
8 taxable year?"

9 The taxing district may include the following as
10 supplemental information on the ballot:

11 "A "yes" vote means that (taxing district) would be
12 allowed to increase the amount of taxes levied against
13 each parcel of property by more than 5%."

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

15 If a majority of voters voting on the issue approves the
16 exemption, then the taxing district shall be exempt from the
17 provisions of this Section for the taxable years specified.

18 (c) As used in this Section:

19 "Taxing district" has the same meaning provided in Section
20 1-150, except that "taxing district" does not include home
21 rule units.

22 (35 ILCS 200/18-233)

23 Sec. 18-233. Adjustments for certificates of error,
24 certain court orders, or final administrative decisions of the
25 Property Tax Appeal Board. Subject to the provisions of

1 Section 18-161, beginning ~~Beginning~~ in levy year 2021, a
2 taxing district levy shall be increased by a prior year
3 adjustment whenever an assessment decrease due to the issuance
4 of a certificate of error, a court order issued pursuant to an
5 assessment valuation complaint under Section 23-15, or a final
6 administrative decision of the Property Tax Appeal Board
7 results in a refund from the taxing district of a portion of
8 the property tax revenue distributed to the taxing district.
9 On or before November 15 of each year, the county treasurer
10 shall certify the aggregate refunds paid by a taxing district
11 during such 12-month period for purposes of this Section. For
12 purposes of the Property Tax Extension Limitation Law, the
13 taxing district's most recent aggregate extension base shall
14 not include the prior year adjustment authorized under this
15 Section. For levy year 2024 and thereafter, an adjustment
16 under this Section, when coupled with all other levy increases
17 imposed by the taxing district, may not cause the tax imposed
18 by that taxing district on any parcel of real property to
19 exceed the limitation set forth in Section 18-161 for that
20 taxing district.

21 (Source: P.A. 102-519, eff. 8-20-21.)

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