

SB1725



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB1725

Introduced 2/9/2023, by Sen. Patrick J. Joyce

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-179 new
30 ILCS 805/8.47 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 taxpayer 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. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB103 28409 HLH 54789 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 adding
5 Section 15-179 as follows:

6 (35 ILCS 200/15-179 new)

7 Sec. 15-179. 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 meaning provided in Section
12 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 a
17 household for the calendar year preceding the taxable year.

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

22 "Middle-class taxpayer" means a taxpayer whose household
23 income is less than or equal to 200% of the median household

1 income for residents of the State of Illinois, as determined
2 by the most recent available United States Census Bureau data.

3 (b) Beginning in taxable year 2024, homestead property
4 owned by a middle-class taxpayer is entitled to an annual
5 homestead exemption limited to a 5% reduction in the equalized
6 assessed value of the homestead property for the current
7 assessment year. The maximum exemption that may be claimed by
8 a taxpayer under this Section for a taxable year is \$5,000.

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

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

21 Section 90. The State Mandates Act is amended by adding
22 Section 8.47 as follows:

23 (30 ILCS 805/8.47 new)

24 Sec. 8.47. Exempt mandate. Notwithstanding Sections 6 and

1 8 of this Act, no reimbursement by the State is required for
2 the implementation of any mandate created by this amendatory
3 Act of the 103rd General Assembly.

4 Section 99. Effective date. This Act takes effect upon
5 becoming law.