



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB2356

Introduced 2/10/2023, by Sen. Steve McClure

SYNOPSIS AS INTRODUCED:

35 ILCS 200/Art. 11 Div. 5 heading new
35 ILCS 200/11-175 new
35 ILCS 200/11-180 new
35 ILCS 200/11-185 new
35 ILCS 200/11-190 new
35 ILCS 200/11-195 new
35 ILCS 200/11-200 new
35 ILCS 200/11-205 new
35 ILCS 200/11-210 new

Amends the Property Tax Code. Provides that regional wastewater facilities shall be valued at 33 1/3% of the fair cash value of the facility, with consideration given to the probable net value that could be realized by the owner if the facility were removed and sold at a fair, voluntary sale, giving due account to the expense of removal, site restoration, and transportation. Effective immediately.

LRB103 27694 HLH 54071 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 adding
5 Division 5 to Article 11 as follows:

6 (35 ILCS 200/Art. 11 Div. 5 heading new)

7 Division 5. Regional wastewater facilities

8 (35 ILCS 200/11-175 new)

9 Sec. 11-175. Legislative findings. The General Assembly
10 finds that it is the policy of the State to ensure and
11 encourage the availability of means for the safe collection,
12 treatment, and disposal of domestic, commercial, and
13 industrial sewage and waste for our cities, villages, towns,
14 and rural residents and that it has become increasingly
15 difficult and cost prohibitive for smaller cities, towns, and
16 villages to construct, maintain, or operate, to current
17 standards, wastewater facilities. The General Assembly further
18 finds that regional facilities capable of serving several
19 cities, villages, towns, municipal joint sewage treatment
20 agencies, municipal sewer commissions, sanitary districts, and
21 rural wastewater companies offer a viable economic solution to
22 this concern. For these reasons, the General Assembly declares

1 it to be the policy of the State to encourage the construction
2 and operation of regional wastewater facilities capable of
3 providing for the safe collection, treatment, and disposal of
4 domestic, commercial, and industrial sewage and waste for
5 cities, villages, towns, municipal joint sewage treatment
6 agencies, municipal sewer commissions, sanitary districts, and
7 rural wastewater companies thereby relieving the burden on
8 those entities and their citizens from constructing and
9 maintaining their own individual wastewater facilities.

10 (35 ILCS 200/11-180 new)

11 Sec. 11-180. Definitions. As used in this Division:

12 "Department" means the Department of Revenue.

13 "Municipal joint sewage treatment agency" means a
14 municipal joint sewage treatment agency organized and existing
15 under the Intergovernmental Cooperation Act.

16 "Municipal sewer commission" means a sewer commission
17 organized and existing under Division 136 of Article 11
18 Illinois Municipal Code.

19 "Not for profit corporation" means an Illinois corporation
20 organized and existing under the General Not For Profit
21 Corporation Act of 1986 that is in good standing with the State
22 and has been granted status as an exempt organization under
23 Section 501(c) of the Internal Revenue Code or any successor
24 or similar provision of the Internal Revenue Code.

25 "Qualifying wastewater facility" means a wastewater

1 facility that collects, treats, or disposes of domestic,
2 commercial, and industrial sewage and waste on behalf of the
3 corporation's members on a mutual or cooperative and not for
4 profit basis and that is owned by a not for profit corporation
5 whose members consist exclusively of one or more incorporated
6 cities, villages, or towns of this State, municipal joint
7 sewage treatment agencies, municipal sewer commissions,
8 sanitary districts, or rural wastewater companies.

9 "Rural wastewater company" means a not for profit
10 corporation whose primary purpose is to own, maintain, and
11 operate a system for the collection, treatment, and disposal
12 of sewage and industrial waste from residences, farms, or
13 businesses exclusively in the State of Illinois and not
14 otherwise served by any city, village, town, municipal joint
15 sewage treatment agency, municipal sewer commission, or
16 sanitary district.

17 "Sanitary district" means a sanitary district organized
18 and existing under the Sanitary District Act of 1907.

19 "Wastewater facility" means a plant or facility whose
20 primary function is to collect, treat, or dispose of domestic,
21 commercial, and industrial sewage and waste, together with all
22 other real and personal property reasonably necessary to
23 collect, treat, or dispose of the sewage and waste.

24 (35 ILCS 200/11-185 new)

25 Sec. 11-185. Valuation of qualifying wastewater

1 facilities. For purposes of computing the assessed valuation,
2 qualifying wastewater facilities shall be valued at 33 1/3% of
3 the fair cash value of the facility. To determine 33 1/3% of
4 the fair cash value of a qualifying wastewater facility, the
5 Department shall take into consideration the probable net
6 value that could be realized by the owner if the facility were
7 removed and sold at a fair, voluntary sale, giving due account
8 to the expenses incurred for removal, site restoration, and
9 transportation.

10 (35 ILCS 200/11-190 new)

11 Sec. 11-190. Exclusion of for-profit wastewater
12 facilities. This Division does not apply to a wastewater
13 facility that collects, treats, or disposes of domestic,
14 commercial, and industrial sewage and waste for profit.

15 (35 ILCS 200/11-195 new)

16 Sec. 11-195. Assessment authority. For assessment
17 purposes, a qualifying wastewater facility shall provide proof
18 of a valid facility number issued by the Illinois
19 Environmental Protection Agency and shall be assessed by the
20 Department.

21 (35 ILCS 200/11-200 new)

22 Sec. 11-200. Application procedure; assessment by the
23 Department. Applications for assessment as a qualifying

1 wastewater facility shall be filed with the Department in the
2 manner and form prescribed by the Department. The application
3 shall contain appropriate documentation that the applicant has
4 been issued a valid facility number by the Illinois
5 Environmental Protection Agency and is entitled to tax
6 treatment under this Division. The effective date of an
7 assessment shall be on the January 1 preceding the date of
8 approval by the Department or preceding the date construction
9 or installation of the facility commences, whichever is later.

10 (35 ILCS 200/11-205 new)

11 Sec. 11-205. Procedures for assessment; judicial review.
12 Proceedings for assessment or reassessment of property
13 certified to be a qualifying wastewater facility shall be
14 conducted in accordance with procedural rules adopted by the
15 Department and in conformity with this Code.

16 Any applicant or holder aggrieved by the issuance, refusal
17 to issue, denial, revocation, modification, or restriction of
18 an assessment as a qualifying water treatment facility may
19 appeal the final administrative decision of the Department of
20 Revenue under the Administrative Review Law.

21 (35 ILCS 200/11-210 new)

22 Sec. 11-210. Rulemaking. The Department shall adopt rules
23 for the implementation of this Division.

24 Section 99. Effective date. This Act takes effect upon

1 becoming law.