

SB2936



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB2936

Introduced 1/31/2024, by Sen. David Koehler

SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-180

Amends the Property Tax Code. Provides that the abatement for property located in an area of urban decay also applies to newly remodeled single-family or duplex residential dwelling units (currently, only newly constructed single-family or duplex dwelling units). Provides that provisions requiring the abatement to be reduced in 20% increments annually during the last 4 years of the abatement period apply only to abatements granted prior to the effective date. Effective immediately.

LRB103 37961 HLH 68093 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 18-180 as follows:

6 (35 ILCS 200/18-180)

7 Sec. 18-180. Abatement; urban decay.

8 (a) Except as provided below, a home rule municipality
9 upon adoption of an ordinance by majority vote of its
10 governing authority, may order the county clerk to abate, for
11 a period not to exceed 10 years, any percentage of the taxes
12 levied by the municipality and any other taxing district on
13 each parcel of property located in an area of urban decay
14 within the corporate limits of the municipality and upon which
15 a newly constructed or newly remodeled single-family or duplex
16 residential dwelling unit is located, except that the total
17 abatement for any levy year shall not be in an amount in excess
18 of 2% of the taxes extended by all taxing districts on all
19 parcels located within the township that contain residential
20 dwelling units of 6 units or less. In the case of a newly
21 remodeled single-family or duplex residential dwelling unit,
22 the amount of the abatement may not exceed the amount of
23 property taxes attributable to the improvements, and no

1 abatement shall be granted with respect to the value of the
2 land. An abatement adopted under this Section shall be
3 extended to all subsequent owners of an eligible property
4 during the abatement period. The ordinance shall provide that
5 the same percentage abatement of taxes shall apply to all
6 eligible property subject to the abatement ordinance, except
7 that any abatement granted for any parcel that is within a
8 redevelopment area created under Division 74.4 of Article 11
9 of the Illinois Municipal Code at the time the ordinance is
10 adopted shall not exceed the amount of taxes allocable to
11 taxing districts. No abatement adopted under this Section
12 shall apply to a parcel of property if the owner does not live
13 in the single-family or one of the duplex residential units.
14 Before final adoption of an abatement ordinance under this
15 Section, the governing authority of the home rule municipality
16 shall notify by mail each affected taxing district of the
17 pending ordinance. This Section does not apply to property
18 annexed by a municipality after January 1, 1989. For the
19 purposes of this Section, a zero lot line dwelling, such as a
20 townhouse or development, is considered a single-family
21 residence.

22 (b) The governing authority of each affected taxing
23 district shall within 10 days appoint one member to serve on an
24 Abatement Review Board to review the terms and conditions of
25 the proposed abatement ordinance. The Board shall be convened
26 by the mayor or village president of the municipality

1 considering the abatement ordinance. The ordinance shall not
2 be adopted less than 45 days after the Board is convened.
3 Failure to appoint a member to the Board does not affect work
4 of the Board. The Board shall report the findings and
5 conclusions to the governing authority of the municipality not
6 later than 30 days after it is convened.

7 (c) Any abatement granted under this Section prior to the
8 effective date of this amendatory Act of the 103rd General
9 Assembly shall be reduced in 20% increments annually during
10 the last 4 years of the abatement period for the property.

11 (d) For purposes of this Section:

12 (1) "Area of urban decay" means an area demonstrating
13 conditions of a "blighted area" or "conservation area" as
14 defined by Section 11-74.4-3 of the Illinois Municipal
15 Code, notwithstanding the minimum acreage requirement
16 contained in the definition of a "redevelopment project
17 area" under that Section. Qualifying factors of blight or
18 conservation shall be defined as those present within the
19 year prior to adoption of the ordinance designating the
20 area of urban decay.

21 (2) "Duplex" means a 2 family residence that is not
22 more than 2 stories plus a basement in height and is
23 located on a single parcel of property.

24 (3) "Newly constructed" means constructed and ready
25 for occupancy not earlier than one year before the date
26 the municipality first orders the abatement for the parcel

1 under this Section.

2 (4) "Newly remodeled" means that the property contains
3 improvements that were completed not earlier than one year
4 before the date the municipality first orders the
5 abatement for the parcel under this Section.

6 (Source: P.A. 87-1189; 88-455.)

7 Section 99. Effective date. This Act takes effect upon
8 becoming law.