

1 AN ACT concerning taxes.

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 15-172 as follows:

6 (35 ILCS 200/15-172)

7 Sec. 15-172. Senior Citizens Assessment Freeze Homestead
8 Exemption.

9 (a) This Section may be cited as the Senior Citizens
10 Assessment Freeze Homestead Exemption.

11 (b) As used in this Section:

12 "Applicant" means an individual who has filed an
13 application under this Section.

14 "Base amount" means the base year equalized assessed
15 value of the residence plus the first year's equalized
16 assessed value of any added improvements which increased the
17 assessed value of the residence after the base year.

18 "Base year" means the taxable year prior to the taxable
19 year for which the applicant first qualifies and applies for
20 the exemption provided that in the prior taxable year the
21 property was improved with a permanent structure that was
22 occupied as a residence by the applicant who was liable for
23 paying real property taxes on the property and who was either
24 (i) an owner of record of the property or had legal or
25 equitable interest in the property as evidenced by a written
26 instrument or (ii) had a legal or equitable interest as a
27 lessee in the parcel of property that was single family
28 residence. If in any subsequent taxable year for which the
29 applicant applies and qualifies for the exemption the
30 equalized assessed value of the residence is less than the
31 equalized assessed value in the existing base year (provided

1 that such equalized assessed value is not based on an
2 assessed value that results from a temporary irregularity in
3 the property that reduces the assessed value for one or more
4 taxable years), then that subsequent taxable year shall
5 become the base year until a new base year is established
6 under the terms of this paragraph. For taxable year 1999
7 only, the Chief County Assessment Officer shall review (i)
8 all taxable years for which the applicant applied and
9 qualified for the exemption and (ii) the existing base year.
10 The assessment officer shall select as the new base year the
11 year with the lowest equalized assessed value. An equalized
12 assessed value that is based on an assessed value that
13 results from a temporary irregularity in the property that
14 reduces the assessed value for one or more taxable years
15 shall not be considered the lowest equalized assessed value.
16 The selected year shall be the base year for taxable year
17 1999 and thereafter until a new base year is established
18 under the terms of this paragraph.

19 "Chief County Assessment Officer" means the County
20 Assessor or Supervisor of Assessments of the county in which
21 the property is located.

22 "Equalized assessed value" means the assessed value as
23 equalized by the Illinois Department of Revenue.

24 "Household" means the applicant, the spouse of the
25 applicant, and all persons using the residence of the
26 applicant as their principal place of residence.

27 "Household income" means the combined income of the
28 members of a household for the calendar year preceding the
29 taxable year.

30 "Income" has the same meaning as provided in Section 3.07
31 of the Senior Citizens and Disabled Persons Property Tax
32 Relief and Pharmaceutical Assistance Act, except that,
33 beginning in assessment year 2001, "income" does not include
34 veteran's benefits and, beginning in taxable year 2003,

1 "income" does not include Social Security benefits.

2 "Internal Revenue Code of 1986" means the United States
3 Internal Revenue Code of 1986 or any successor law or laws
4 relating to federal income taxes in effect for the year
5 preceding the taxable year.

6 "Life care facility that qualifies as a cooperative"
7 means a facility as defined in Section 2 of the Life Care
8 Facilities Act.

9 "Residence" means the principal dwelling place and
10 appurtenant structures used for residential purposes in this
11 State occupied on January 1 of the taxable year by a
12 household and so much of the surrounding land, constituting
13 the parcel upon which the dwelling place is situated, as is
14 used for residential purposes. If the Chief County Assessment
15 Officer has established a specific legal description for a
16 portion of property constituting the residence, then that
17 portion of property shall be deemed the residence for the
18 purposes of this Section.

19 "Taxable year" means the calendar year during which ad
20 valorem property taxes payable in the next succeeding year
21 are levied.

22 (c) Beginning in taxable year 1994, a senior citizens
23 assessment freeze homestead exemption is granted for real
24 property that is improved with a permanent structure that is
25 occupied as a residence by an applicant who (i) is 65 years
26 of age or older during the taxable year, (ii) has a household
27 income of \$35,000 or less prior to taxable year 1999, ~~or~~
28 \$40,000 or less in taxable years year 1999 through 2002, and
29 \$45,000 or less in taxable year 2003 and thereafter, (iii) is
30 liable for paying real property taxes on the property, and
31 (iv) is an owner of record of the property or has a legal or
32 equitable interest in the property as evidenced by a written
33 instrument. This homestead exemption shall also apply to a
34 leasehold interest in a parcel of property improved with a

1 permanent structure that is a single family residence that is
2 occupied as a residence by a person who (i) is 65 years of
3 age or older during the taxable year, (ii) has a household
4 income of \$35,000 or less prior to taxable year 1999, ~~or~~
5 \$40,000 or less in taxable years year 1999 through 2002, and
6 \$45,000 or less in taxable year 2003 and thereafter, (iii)
7 has a legal or equitable ownership interest in the property
8 as lessee, and (iv) is liable for the payment of real
9 property taxes on that property.

10 The amount of this exemption shall be the equalized
11 assessed value of the residence in the taxable year for which
12 application is made minus the base amount.

13 When the applicant is a surviving spouse of an applicant
14 for a prior year for the same residence for which an
15 exemption under this Section has been granted, the base year
16 and base amount for that residence are the same as for the
17 applicant for the prior year.

18 Each year at the time the assessment books are certified
19 to the County Clerk, the Board of Review or Board of Appeals
20 shall give to the County Clerk a list of the assessed values
21 of improvements on each parcel qualifying for this exemption
22 that were added after the base year for this parcel and that
23 increased the assessed value of the property.

24 In the case of land improved with an apartment building
25 owned and operated as a cooperative or a building that is a
26 life care facility that qualifies as a cooperative, the
27 maximum reduction from the equalized assessed value of the
28 property is limited to the sum of the reductions calculated
29 for each unit occupied as a residence by a person or persons
30 (i) 65 years of age or older, (ii) with a household income of
31 \$35,000 or less prior to taxable year 1999, ~~or~~ \$40,000 or less
32 in taxable years year 1999 through 2002, and \$45,000 or less
33 in taxable year 2003 and thereafter, (iii) who is liable, by
34 contract with the owner or owners of record, for paying real

1 property taxes on the property, and (iv) who is an owner of
2 record of a legal or equitable interest in the cooperative
3 apartment building, other than a leasehold interest. In the
4 instance of a cooperative where a homestead exemption has
5 been granted under this Section, the cooperative association
6 or its management firm shall credit the savings resulting
7 from that exemption only to the apportioned tax liability of
8 the owner who qualified for the exemption. Any person who
9 willfully refuses to credit that savings to an owner who
10 qualifies for the exemption is guilty of a Class B
11 misdemeanor.

12 When a homestead exemption has been granted under this
13 Section and an applicant then becomes a resident of a
14 facility licensed under the Nursing Home Care Act, the
15 exemption shall be granted in subsequent years so long as the
16 residence (i) continues to be occupied by the qualified
17 applicant's spouse or (ii) if remaining unoccupied, is still
18 owned by the qualified applicant for the homestead exemption.

19 Beginning January 1, 1997, when an individual dies who
20 would have qualified for an exemption under this Section, and
21 the surviving spouse does not independently qualify for this
22 exemption because of age, the exemption under this Section
23 shall be granted to the surviving spouse for the taxable year
24 preceding and the taxable year of the death, provided that,
25 except for age, the surviving spouse meets all other
26 qualifications for the granting of this exemption for those
27 years.

28 When married persons maintain separate residences, the
29 exemption provided for in this Section may be claimed by only
30 one of such persons and for only one residence.

31 For taxable year 1994 only, in counties having less than
32 3,000,000 inhabitants, to receive the exemption, a person
33 shall submit an application by February 15, 1995 to the Chief
34 County Assessment Officer of the county in which the property

1 is located. In counties having 3,000,000 or more
2 inhabitants, for taxable year 1994 and all subsequent taxable
3 years, to receive the exemption, a person may submit an
4 application to the Chief County Assessment Officer of the
5 county in which the property is located during such period as
6 may be specified by the Chief County Assessment Officer. The
7 Chief County Assessment Officer in counties of 3,000,000 or
8 more inhabitants shall annually give notice of the
9 application period by mail or by publication. In counties
10 having less than 3,000,000 inhabitants, beginning with
11 taxable year 1995 and thereafter, to receive the exemption, a
12 person shall submit an application by July 1 of each taxable
13 year to the Chief County Assessment Officer of the county in
14 which the property is located. A county may, by ordinance,
15 establish a date for submission of applications that is
16 different than July 1. The applicant shall submit with the
17 application an affidavit of the applicant's total household
18 income, age, marital status (and if married the name and
19 address of the applicant's spouse, if known), and principal
20 dwelling place of members of the household on January 1 of
21 the taxable year. The Department shall establish, by rule, a
22 method for verifying the accuracy of affidavits filed by
23 applicants under this Section. The applications shall be
24 clearly marked as applications for the Senior Citizens
25 Assessment Freeze Homestead Exemption.

26 Notwithstanding any other provision to the contrary, in
27 counties having fewer than 3,000,000 inhabitants, if an
28 applicant fails to file the application required by this
29 Section in a timely manner and this failure to file is due to
30 a mental or physical condition sufficiently severe so as to
31 render the applicant incapable of filing the application in a
32 timely manner, the Chief County Assessment Officer may extend
33 the filing deadline for a period of 30 days after the
34 applicant regains the capability to file the application, but

1 in no case may the filing deadline be extended beyond 3
2 months of the original filing deadline. In order to receive
3 the extension provided in this paragraph, the applicant shall
4 provide the Chief County Assessment Officer with a signed
5 statement from the applicant's physician stating the nature
6 and extent of the condition, that, in the physician's
7 opinion, the condition was so severe that it rendered the
8 applicant incapable of filing the application in a timely
9 manner, and the date on which the applicant regained the
10 capability to file the application.

11 Beginning January 1, 1998, notwithstanding any other
12 provision to the contrary, in counties having fewer than
13 3,000,000 inhabitants, if an applicant fails to file the
14 application required by this Section in a timely manner and
15 this failure to file is due to a mental or physical condition
16 sufficiently severe so as to render the applicant incapable
17 of filing the application in a timely manner, the Chief
18 County Assessment Officer may extend the filing deadline for
19 a period of 3 months. In order to receive the extension
20 provided in this paragraph, the applicant shall provide the
21 Chief County Assessment Officer with a signed statement from
22 the applicant's physician stating the nature and extent of
23 the condition, and that, in the physician's opinion, the
24 condition was so severe that it rendered the applicant
25 incapable of filing the application in a timely manner.

26 In counties having less than 3,000,000 inhabitants, if an
27 applicant was denied an exemption in taxable year 1994 and
28 the denial occurred due to an error on the part of an
29 assessment official, or his or her agent or employee, then
30 beginning in taxable year 1997 the applicant's base year, for
31 purposes of determining the amount of the exemption, shall be
32 1993 rather than 1994. In addition, in taxable year 1997, the
33 applicant's exemption shall also include an amount equal to
34 (i) the amount of any exemption denied to the applicant in

1 taxable year 1995 as a result of using 1994, rather than
2 1993, as the base year, (ii) the amount of any exemption
3 denied to the applicant in taxable year 1996 as a result of
4 using 1994, rather than 1993, as the base year, and (iii) the
5 amount of the exemption erroneously denied for taxable year
6 1994.

7 For purposes of this Section, a person who will be 65
8 years of age during the current taxable year shall be
9 eligible to apply for the homestead exemption during that
10 taxable year. Application shall be made during the
11 application period in effect for the county of his or her
12 residence.

13 The Chief County Assessment Officer may determine the
14 eligibility of a life care facility that qualifies as a
15 cooperative to receive the benefits provided by this Section
16 by use of an affidavit, application, visual inspection,
17 questionnaire, or other reasonable method in order to insure
18 that the tax savings resulting from the exemption are
19 credited by the management firm to the apportioned tax
20 liability of each qualifying resident. The Chief County
21 Assessment Officer may request reasonable proof that the
22 management firm has so credited that exemption.

23 Except as provided in this Section, all information
24 received by the chief county assessment officer or the
25 Department from applications filed under this Section, or
26 from any investigation conducted under the provisions of this
27 Section, shall be confidential, except for official purposes
28 or pursuant to official procedures for collection of any
29 State or local tax or enforcement of any civil or criminal
30 penalty or sanction imposed by this Act or by any statute or
31 ordinance imposing a State or local tax. Any person who
32 divulges any such information in any manner, except in
33 accordance with a proper judicial order, is guilty of a Class
34 A misdemeanor.

1 Nothing contained in this Section shall prevent the
 2 Director or chief county assessment officer from publishing
 3 or making available reasonable statistics concerning the
 4 operation of the exemption contained in this Section in which
 5 the contents of claims are grouped into aggregates in such a
 6 way that information contained in any individual claim shall
 7 not be disclosed.

8 (d) Each Chief County Assessment Officer shall annually
 9 publish a notice of availability of the exemption provided
 10 under this Section. The notice shall be published at least
 11 60 days but no more than 75 days prior to the date on which
 12 the application must be submitted to the Chief County
 13 Assessment Officer of the county in which the property is
 14 located. The notice shall appear in a newspaper of general
 15 circulation in the county.

16 (e) Notwithstanding Sections 6 and 8 of the State
 17 Mandates Act, no reimbursement by the State is required for
 18 the implementation of any mandate created by this Section.

19 (Source: P.A. 90-14, eff. 7-1-97; 90-204, eff. 7-25-97;
 20 90-523, eff. 11-13-97; 90-524, eff. 1-1-98; 90-531, eff.
 21 1-1-98; 90-655, eff. 7-30-98; 91-45, eff. 6-30-99; 91-56,
 22 eff. 6-30-99; 91-819, eff. 6-13-00.)

23 Section 90. The State Mandates Act is amended by adding
 24 Section 8.27 as follows:

25 (30 ILCS 805/8.27 new)
 26 Sec. 8.27. Exempt mandate. Notwithstanding Sections 6
 27 and 8 of this Act, no reimbursement by the State is required
 28 for the implementation of any mandate created by this
 29 amendatory Act of the 93rd General Assembly.

30 Section 99. Effective date. This Act takes effect upon
 31 becoming law.