



93RD GENERAL ASSEMBLY

State of Illinois

2003 and 2004

HB4890

Introduced 2/4/2004, by Kevin Joyce

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-168 new
30 ILCS 805/8.28 new

Amends the Property Tax Code. Creates the retired firefighters and police officers tax freeze homestead exemption. Provides that, beginning with taxable year 2004, a person receiving a retirement pension or retirement annuity under the Illinois Pension Code as a retired firefighter or police officer and who resides in the jurisdiction where he or she was a firefighter or police officer shall receive an exemption from property taxes in an amount equal to the difference between what the property tax bill for the residence would be in the taxable year minus the base amount. "Base amount" is defined as the property tax bill for the first year of eligibility for this exemption, plus any increase in the bill resulting from any added improvements thereafter. Amends the State Mandates Act to require implementation without reimbursement from the State. Effective immediately.

LRB093 19041 SJM 44776 b

CORRECTIONAL
BUDGET AND
IMPACT NOTE ACT
MAY APPLY

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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 adding
5 Section 15-168 as follows:

6 (35 ILCS 200/15-168 new)

7 Sec. 15-168. Retired firefighters and police officers tax
8 freeze homestead exemption.

9 (a) This Section may be cited as the retired firefighters
10 and police officers tax 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 property tax bill for the
15 residence plus any increase in the property tax bill due to any
16 added improvements that increased the assessed value of the
17 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 under this Section, provided that in the prior
21 taxable year the property was improved with a permanent
22 structure that was occupied as a residence by the applicant who
23 was liable for paying real property taxes on the property and
24 who was either (i) an owner of record of the property or had
25 legal or equitable interest in the property as evidenced by a
26 written instrument or (ii) had a legal or equitable interest as
27 a 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 property
30 tax bill for the residence would be less than the property tax
31 bill in the existing base year (provided that the reduced
32 property tax bill is not based on an assessed value that

1 results from a temporary irregularity in the property that
2 reduces the assessed value for one or more taxable years), then
3 that subsequent taxable year shall become the base year until a
4 new base year is established under the terms of this paragraph.

5 "Chief county assessment officer" means the county
6 assessor or supervisor of assessments of the county in which
7 the property is located.

8 "Equalized assessed value" means the assessed value as
9 equalized by the Illinois Department of Revenue.

10 "Household" means the applicant, the spouse of the
11 applicant, and all persons using the residence of the applicant
12 as their principal place of residence.

13 "Life care facility that qualifies as a cooperative" means
14 a facility as defined in Section 2 of the Life Care Facilities
15 Act.

16 "Residence" means the principal dwelling place and
17 appurtenant structures used for residential purposes in this
18 State occupied on January 1 of the taxable year by a household
19 and so much of the surrounding land, constituting the parcel
20 upon which the dwelling place is situated, as is used for
21 residential purposes. If the chief county assessment officer
22 has established a specific legal description for a portion of
23 property constituting the residence, then that portion of
24 property shall be deemed the residence for the purposes of this
25 Section.

26 "Taxable year" means the calendar year during which ad
27 valorem property taxes payable in the next succeeding year are
28 levied.

29 (c) Beginning in taxable year 2004, a retired firefighters
30 and police officers tax freeze homestead exemption is granted
31 for real property that is improved with a permanent structure
32 that is occupied as a residence by an applicant who (i) is
33 receiving a retirement pension under Article 4 of the Illinois
34 Pension Code, a retirement annuity under Article 6 of the
35 Illinois Pension Code, a retirement pension under Article 3 of
36 the Illinois Pension Code, or a retirement annuity under

1 Article 5 of the Illinois Pension Code during the taxable year,
2 (ii) is liable for paying real property taxes on the property,
3 (iii) is an owner of record of the property or has a legal or
4 equitable interest in the property as evidenced by a written
5 instrument, and (iv) resides in the same jurisdiction in which
6 he or she served as a firefighter or police officer. This
7 homestead exemption shall also apply to a leasehold interest in
8 a parcel of property improved with a permanent structure that
9 is a single family residence that is occupied as a residence by
10 a person who (i) is receiving a retirement pension under
11 Article 4 of the Illinois Pension Code, a retirement annuity
12 under Article 6 of the Illinois Pension Code, a retirement
13 pension under Article 3 of the Illinois Pension Code, or a
14 retirement annuity under Article 5 of the Illinois Pension Code
15 during the taxable year, (ii) has a legal or equitable
16 ownership interest in the property as lessee, and (iii) is
17 liable for the payment of real property taxes on that property.

18 The amount of this exemption shall be what the property tax
19 bill for the residence would be in the taxable year for which
20 application is made minus the base amount.

21 When the applicant is a surviving spouse of an applicant
22 for a prior year for the same residence for which an exemption
23 under this Section has been granted, the base year and base
24 amount for that residence are the same as for the applicant for
25 the prior year.

26 Each year at the time the assessment books are certified to
27 the county clerk, the board of review shall give to the county
28 clerk a list of the assessed values of improvements on each
29 parcel qualifying for this exemption that were added after the
30 base year for this parcel and that increased the assessed value
31 of the property.

32 In the case of land improved with an apartment building
33 owned and operated as a cooperative or a building that is a
34 life care facility that qualifies as a cooperative, the maximum
35 reduction in the property tax bill for the property is limited
36 to the sum of the reductions calculated for each unit occupied

1 as a residence by a person receiving a retirement pension under
2 Article 4 of the Illinois Pension Code, a retirement annuity
3 under Article 6 of the Illinois Pension Code, a retirement
4 pension under Article 3 of the Illinois Pension Code, or a
5 retirement annuity under Article 5 of the Illinois Pension Code
6 who is liable, by contract with the owner or owners of record,
7 for paying real property taxes on the property and who is an
8 owner of record of a legal or equitable interest in the
9 cooperative apartment building, other than a leasehold
10 interest. In the instance of a cooperative where a homestead
11 exemption has been granted under this Section, the cooperative
12 association or its management firm shall credit the savings
13 resulting from that exemption only to the apportioned tax
14 liability of the owner who qualified for the exemption. Any
15 person who willfully refuses to credit that savings to an owner
16 who qualifies for the exemption is guilty of a Class B
17 misdemeanor.

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

25 When an individual dies who would have qualified for an
26 exemption under this Section, and the surviving spouse does not
27 independently qualify for this exemption because he or she is
28 not a retired firefighter or police officer, the exemption
29 under this Section shall be granted to the surviving spouse for
30 the taxable year preceding and the taxable year of the death
31 and for all subsequent taxable years, provided that, except for
32 not being a retired firefighter or police officer, the
33 surviving spouse meets all qualifications for the granting of
34 this exemption for those years.

35 When married persons maintain separate residences, the
36 exemption provided for in this Section may be claimed by only

1 one of such persons and for only one residence.

2 In counties having 3,000,000 or more inhabitants, to
3 receive the exemption, a person may submit an application to
4 the chief county assessment officer of the county in which the
5 property is located during such period as may be specified by
6 the chief county assessment officer. The chief county
7 assessment officer in counties of 3,000,000 or more inhabitants
8 shall annually give notice of the application period by mail or
9 by publication. In counties having less than 3,000,000
10 inhabitants, to receive the exemption, a person shall submit an
11 application by July 1 of each taxable year to the chief county
12 assessment officer of the county in which the property is
13 located. A county may, by ordinance, establish a date for
14 submission of applications that is different than July 1. The
15 applicant shall submit with the application an affidavit of the
16 applicant's pension or annuity, marital status (and if married
17 the name and address of the applicant's spouse, if known), and
18 principal dwelling place of members of the household on January
19 1 of the taxable year. The Department shall establish, by rule,
20 a method for verifying the accuracy of affidavits filed by
21 applicants under this Section. The applications shall be
22 clearly marked as applications for the firefighters and police
23 officers tax freeze homestead exemption.

24 Notwithstanding any other provision to the contrary, in
25 counties having fewer than 3,000,000 inhabitants, if an
26 applicant fails to file the application required by this
27 Section in a timely manner and this failure to file is due to a
28 mental or physical condition sufficiently severe so as to
29 render the applicant incapable of filing the application in a
30 timely manner, the chief county assessment officer may extend
31 the filing deadline for a period of 3 months. In order to
32 receive the extension provided in this paragraph, the applicant
33 shall provide the chief county assessment officer with a signed
34 statement from the applicant's physician stating the nature and
35 extent of the condition, and that, in the physician's opinion,
36 the condition was so severe that it rendered the applicant

1 incapable of filing the application in a timely manner.

2 For purposes of this Section, a person who begins receiving
3 a pension or annuity during the current taxable year shall be
4 eligible to apply for the homestead exemption under this
5 Section during that taxable year. Application shall be made
6 during the application period in effect for the county of his
7 or her residence.

8 The chief county assessment officer may determine the
9 eligibility of a life care facility that qualifies as a
10 cooperative to receive the benefits provided by this Section by
11 use of an affidavit, application, visual inspection,
12 questionnaire, or other reasonable method in order to ensure
13 that the tax savings resulting from the exemption are credited
14 by the management firm to the apportioned tax liability of each
15 qualifying resident. The chief county assessment officer may
16 request reasonable proof that the management firm has so
17 credited that exemption.

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

29 Nothing contained in this Section shall prevent the
30 Director or chief county assessment officer from publishing or
31 making available reasonable statistics concerning the
32 operation of the exemption contained in this Section in which
33 the contents of claims are grouped into aggregates in such a
34 way that information contained in any individual claim shall
35 not be disclosed.

36 (d) Each chief county assessment officer shall annually

1 publish a notice of availability of the exemption provided
2 under this Section. The notice shall be published at least 60
3 days but no more than 75 days prior to the date on which the
4 application must be submitted to the chief county assessment
5 officer of the county in which the property is located. The
6 notice shall appear in a newspaper of general circulation in
7 the county.

8 (e) A person who receives an exemption under this Section
9 is not eligible to receive an exemption under Section 15-170 or
10 15-172.

11 (f) Notwithstanding Sections 6 and 8 of the State Mandates
12 Act, no reimbursement by the State is required for the
13 implementation of any mandate created by this Section.
14

15 Section 90. The State Mandates Act is amended by adding
16 Section 8.28 as follows:

17 (30 ILCS 805/8.28 new)

18 Sec. 8.28. Exempt mandate. Notwithstanding Sections 6 and 8
19 of this Act, no reimbursement by the State is required for the
20 implementation of any mandate created by the retired
21 firefighters and police officers tax freeze homestead
22 exemption under Section 15-168 of the Property Tax Code.