

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 Sections 15-170 and 15-175 as follows:

6 (35 ILCS 200/15-170)

7 Sec. 15-170. Senior Citizens Homestead Exemption. An
8 annual homestead exemption limited, except as described here
9 with relation to cooperatives or life care facilities, to a
10 maximum reduction set forth below from the property's value, as
11 equalized or assessed by the Department, is granted for
12 property that is occupied as a residence by a person 65 years
13 of age or older who is liable for paying real estate taxes on
14 the property and is an owner of record of the property or has a
15 legal or equitable interest therein as evidenced by a written
16 instrument, except for a leasehold interest, other than a
17 leasehold interest of land on which a single family residence
18 is located, which is occupied as a residence by a person 65
19 years or older who has an ownership interest therein, legal,
20 equitable or as a lessee, and on which he or she is liable for
21 the payment of property taxes. Before taxable year 2004, the
22 ~~The~~ maximum reduction shall be \$2,500 in counties with
23 3,000,000 or more inhabitants and \$2,000 in all other counties.
24 For taxable years 2004 and thereafter, the maximum reduction
25 shall be \$3,000 in all counties. For land improved with an
26 apartment building owned and operated as a cooperative, the
27 maximum reduction from the value of the property, as equalized
28 by the Department, shall be multiplied by the number of
29 apartments or units occupied by a person 65 years of age or
30 older who is liable, by contract with the owner or owners of
31 record, for paying property taxes on the property and is an
32 owner of record of a legal or equitable interest in the

1 cooperative apartment building, other than a leasehold
2 interest. For land improved with a life care facility, the
3 maximum reduction from the value of the property, as equalized
4 by the Department, shall be multiplied by the number of
5 apartments or units occupied by persons 65 years of age or
6 older, irrespective of any legal, equitable, or leasehold
7 interest in the facility, who are liable, under a contract with
8 the owner or owners of record of the facility, for paying
9 property taxes on the property. In a cooperative or a life care
10 facility where a homestead exemption has been granted, the
11 cooperative association or the management firm of the
12 cooperative or 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. Under this Section and Section
17 15-175, "life care facility" means a facility as defined in
18 Section 2 of the Life Care Facilities Act, with which the
19 applicant for the homestead exemption has a life care contract
20 as defined in that Act.

21 When a homestead exemption has been granted under this
22 Section and the person qualifying subsequently becomes a
23 resident of a facility licensed under the Nursing Home Care
24 Act, the exemption shall continue so long as the residence
25 continues to be occupied by the qualifying person's spouse if
26 the spouse is 65 years of age or older, or if the residence
27 remains unoccupied but is still owned by the person qualified
28 for the homestead exemption.

29 A person who will be 65 years of age during the current
30 assessment year shall be eligible to apply for the homestead
31 exemption during that assessment year. Application shall be
32 made during the application period in effect for the county of
33 his residence.

34 Beginning with assessment year 2003, for taxes payable in
35 2004, property that is first occupied as a residence after
36 January 1 of any assessment year by a person who is eligible

1 for the senior citizens homestead exemption under this Section
2 must be granted a pro-rata exemption for the assessment year.
3 The amount of the pro-rata exemption is the exemption allowed
4 in the county under this Section divided by 365 and multiplied
5 by the number of days during the assessment year the property
6 is occupied as a residence by a person eligible for the
7 exemption under this Section. The chief county assessment
8 officer must adopt reasonable procedures to establish
9 eligibility for this pro-rata exemption.

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

19 The chief county assessment officer of each county with
20 less than 3,000,000 inhabitants shall provide to each person
21 allowed a homestead exemption under this Section a form to
22 designate any other person to receive a duplicate of any notice
23 of delinquency in the payment of taxes assessed and levied
24 under this Code on the property of the person receiving the
25 exemption. The duplicate notice shall be in addition to the
26 notice required to be provided to the person receiving the
27 exemption, and shall be given in the manner required by this
28 Code. The person filing the request for the duplicate notice
29 shall pay a fee of \$5 to cover administrative costs to the
30 supervisor of assessments, who shall then file the executed
31 designation with the county collector. Notwithstanding any
32 other provision of this Code to the contrary, the filing of
33 such an executed designation requires the county collector to
34 provide duplicate notices as indicated by the designation. A
35 designation may be rescinded by the person who executed such
36 designation at any time, in the manner and form required by the

1 chief county assessment officer.

2 The assessor or chief county assessment officer may
3 determine the eligibility of residential property to receive
4 the homestead exemption provided by this Section by
5 application, visual inspection, questionnaire or other
6 reasonable methods. The determination shall be made in
7 accordance with guidelines established by the Department.

8 In counties with less than 3,000,000 inhabitants, the
9 county board may by resolution provide that if a person has
10 been granted a homestead exemption under this Section, the
11 person qualifying need not reapply for the exemption.

12 In counties with less than 3,000,000 inhabitants, if the
13 assessor or chief county assessment officer requires annual
14 application for verification of eligibility for an exemption
15 once granted under this Section, the application shall be
16 mailed to the taxpayer.

17 The assessor or chief county assessment officer shall
18 notify each person who qualifies for an exemption under this
19 Section that the person may also qualify for deferral of real
20 estate taxes under the Senior Citizens Real Estate Tax Deferral
21 Act. The notice shall set forth the qualifications needed for
22 deferral of real estate taxes, the address and telephone number
23 of county collector, and a statement that applications for
24 deferral of real estate taxes may be obtained from the county
25 collector.

26 Notwithstanding Sections 6 and 8 of the State Mandates Act,
27 no reimbursement by the State is required for the
28 implementation of any mandate created by this Section.

29 (Source: P.A. 92-196, eff. 1-1-02; 93-511, eff. 8-11-03.)

30 (35 ILCS 200/15-175)

31 Sec. 15-175. General homestead exemption. Homestead
32 property is entitled to an annual homestead exemption limited,
33 except as described here with relation to cooperatives, to a
34 reduction in the equalized assessed value of homestead property
35 equal to the increase in equalized assessed value for the

1 current assessment year above the equalized assessed value of
2 the property for 1977, up to the maximum reduction set forth
3 below. If however, the 1977 equalized assessed value upon which
4 taxes were paid is subsequently determined by local assessing
5 officials, the Property Tax Appeal Board, or a court to have
6 been excessive, the equalized assessed value which should have
7 been placed on the property for 1977 shall be used to determine
8 the amount of the exemption.

9 Before taxable year 2004, the ~~The~~ maximum reduction shall
10 be \$4,500 in counties with 3,000,000 or more inhabitants and
11 \$3,500 in all other counties. For taxable years 2004 and
12 thereafter, the maximum reduction shall be \$5,000 for all
13 counties.

14 In counties with fewer than 3,000,000 inhabitants, if,
15 based on the most recent assessment, the equalized assessed
16 value of the homestead property for the current assessment year
17 is greater than the equalized assessed value of the property
18 for 1977, the owner of the property shall automatically receive
19 the exemption granted under this Section in an amount equal to
20 the increase over the 1977 assessment up to the maximum
21 reduction set forth in this Section.

22 If in any assessment year beginning with the 2000
23 assessment year, homestead property has a pro-rata valuation
24 under Section 9-180 resulting in an increase in the assessed
25 valuation, a reduction in equalized assessed valuation equal to
26 the increase in equalized assessed value of the property for
27 the year of the pro-rata valuation above the equalized assessed
28 value of the property for 1977 shall be applied to the property
29 on a proportionate basis for the period the property qualified
30 as homestead property during the assessment year. The maximum
31 proportionate homestead exemption shall not exceed the maximum
32 homestead exemption allowed in the county under this Section
33 divided by 365 and multiplied by the number of days the
34 property qualified as homestead property.

35 "Homestead property" under this Section includes
36 residential property that is occupied by its owner or owners as

1 his or their principal dwelling place, or that is a leasehold
2 interest on which a single family residence is situated, which
3 is occupied as a residence by a person who has an ownership
4 interest therein, legal or equitable or as a lessee, and on
5 which the person is liable for the payment of property taxes.
6 For land improved with an apartment building owned and operated
7 as a cooperative or a building which is a life care facility as
8 defined in Section 15-170 and considered to be a cooperative
9 under Section 15-170, the maximum reduction from the equalized
10 assessed value shall be limited to the increase in the value
11 above the equalized assessed value of the property for 1977, up
12 to the maximum reduction set forth above, multiplied by the
13 number of apartments or units occupied by a person or persons
14 who is liable, by contract with the owner or owners of record,
15 for paying property taxes on the property and is an owner of
16 record of a legal or equitable interest in the cooperative
17 apartment building, other than a leasehold interest. For
18 purposes of this Section, the term "life care facility" has the
19 meaning stated in Section 15-170.

20 In a cooperative where a homestead exemption has been
21 granted, the cooperative association or its management firm
22 shall credit the savings resulting from that exemption only to
23 the apportioned tax liability of the owner who qualified for
24 the exemption. Any person who willfully refuses to so credit
25 the savings shall be guilty of a Class B misdemeanor.

26 Where married persons maintain and reside in separate
27 residences qualifying as homestead property, each residence
28 shall receive 50% of the total reduction in equalized assessed
29 valuation provided by this Section.

30 In counties with more than 3,000,000 inhabitants, the
31 assessor or chief county assessment officer may determine the
32 eligibility of residential property to receive the homestead
33 exemption by application, visual inspection, questionnaire or
34 other reasonable methods. The determination shall be made in
35 accordance with guidelines established by the Department. In
36 counties with fewer than 3,000,000 inhabitants, in the event of

1 a sale of homestead property the homestead exemption shall
2 remain in effect for the remainder of the assessment year of
3 the sale. The assessor or chief county assessment officer may
4 require the new owner of the property to apply for the
5 homestead exemption for the following assessment year.

6 (Source: P.A. 90-368, eff. 1-1-98; 90-552, eff. 12-12-97;
7 90-655, eff. 7-30-98; 91-346, eff. 7-29-99.)

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