



## 93RD GENERAL ASSEMBLY

### State of Illinois

#### 2003 and 2004

Introduced 02/09/04, by Richard P. Myers - Michael P. McAuliffe

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/21-15  
35 ILCS 200/21-20  
35 ILCS 200/21-25

Amends the Property Tax Code. Provides that if an Illinois resident who is a member of the Illinois National Guard or a reserve component of the armed forces of the United States (now, applies only to reservists and there is no residency requirement) and who has an ownership interest in property taxed under the Code is called to active duty for deployment outside the continental United States and is on active duty on the due date of any installment of taxes due under the Code, he or she shall not be deemed delinquent in the payment of the installment and no interest shall accrue or be charged as a penalty on the installment until one year (now, 30 days) after that member returns from active duty. Requires notification of the county clerk within 30 days of deactivation, with failure to notify to result in penalties and interest accruing from the date of deactivation. Effective immediately.

LRB093 18348 SJM 44054 b

FISCAL NOTE ACT  
MAY APPLY

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 21-15, 21-20, and 21-25 as follows:

6 (35 ILCS 200/21-15)

7 Sec. 21-15. General tax due dates; default by mortgage  
8 lender. Except as otherwise provided in this Section or Section  
9 21-40, all property upon which the first installment of taxes  
10 remains unpaid on June 1 annually shall be deemed delinquent  
11 and shall bear interest after June 1 at the rate of 1 1/2% per  
12 month or portion thereof. Except as otherwise provided in this  
13 Section or Section 21-40, all property upon which the second  
14 installment of taxes remains due and unpaid on September 1,  
15 annually, shall be deemed delinquent and shall bear interest  
16 after September 1 at the same interest rate. All interest  
17 collected shall be paid into the general fund of the county.  
18 Payment received by mail and postmarked on or before the  
19 required due date is not delinquent.

20 Property not subject to the interest charge in Section  
21 9-260 or Section 9-265 shall also not be subject to the  
22 interest charge imposed by this Section until such time as the  
23 owner of the property receives actual notice of and is billed  
24 for the principal amount of back taxes due and owing.

25 If an Illinois resident who is a member of the Illinois  
26 National Guard or a reserve component of the armed forces of  
27 the United States and who has an ownership interest in property  
28 taxed under this Act is called to active duty for deployment  
29 outside the continental United States and is on active duty on  
30 the due date of any installment of taxes due under this Act, he  
31 or she shall not be deemed delinquent in the payment of the  
32 installment and no interest shall accrue or be charged as a

1 penalty on the installment until one year ~~30 days~~ after that  
2 member returns from active duty. To be deemed not delinquent in  
3 the payment of an installment of taxes and any interest on that  
4 installment, the reservist or guardsperson must notify the  
5 county clerk within 30 days after his or her deactivation and  
6 provide verification of the date of his or her deactivation. An  
7 installment of property taxes on the property of any reservist  
8 or guardsperson who fails to provide timely notice and  
9 verification of deactivation to the county clerk is subject to  
10 interest and penalties as delinquent taxes under this Code from  
11 the date of deactivation.

12 Notwithstanding any other provision of law, when any unpaid  
13 taxes become delinquent under this Section through the fault of  
14 the mortgage lender, (i) the interest assessed under this  
15 Section for delinquent taxes shall be charged against the  
16 mortgage lender and not the mortgagor and (ii) the mortgage  
17 lender shall pay the taxes, redeem the property and take all  
18 necessary steps to remove any liens accruing against the  
19 property because of the delinquency. In the event that more  
20 than one entity meets the definition of mortgage lender with  
21 respect to any mortgage, the interest shall be assessed against  
22 the mortgage lender responsible for servicing the mortgage.  
23 Unpaid taxes shall be deemed delinquent through the fault of  
24 the mortgage lender only if: (a) the mortgage lender has  
25 received all payments due the mortgage lender for the property  
26 being taxed under the written terms of the mortgage or  
27 promissory note secured by the mortgage, (b) the mortgage  
28 lender holds funds in escrow to pay the taxes, and (c) the  
29 funds are sufficient to pay the taxes after deducting all  
30 amounts reasonably anticipated to become due for all hazard  
31 insurance premiums and mortgage insurance premiums and any  
32 other assessments to be paid from the escrow under the terms of  
33 the mortgage. For purposes of this Section, an amount is  
34 reasonably anticipated to become due if it is payable within 12  
35 months from the time of determining the sufficiency of funds  
36 held in escrow. Unpaid taxes shall not be deemed delinquent

1 through the fault of the mortgage lender if the mortgage lender  
2 was directed in writing by the mortgagor not to pay the  
3 property taxes, or if the failure to pay the taxes when due  
4 resulted from inadequate or inaccurate parcel information  
5 provided by the mortgagor, a title or abstract company, or by  
6 the agency or unit of government assessing the tax.

7 (Source: P.A. 93-560, eff. 8-20-03.)

8 (35 ILCS 200/21-20)

9 Sec. 21-20. Due dates; accelerated billing in counties of  
10 less than 3,000,000. Except as otherwise provided in Section  
11 21-40, in counties with less than 3,000,000 inhabitants in  
12 which the accelerated method of billing and paying taxes  
13 provided for in Section 21-30 is in effect, the estimated first  
14 installment of unpaid taxes shall be deemed delinquent and  
15 shall bear interest after a date not later than June 1 annually  
16 as provided for in the ordinance or resolution of the county  
17 board adopting the accelerated method, at the rate of 1 1/2%  
18 per month or portion thereof until paid or forfeited. The  
19 second installment of unpaid taxes shall be deemed delinquent  
20 and shall bear interest after August 1 annually at the same  
21 interest rate until paid or forfeited. Payment received by mail  
22 and postmarked on or before the required due date is not  
23 delinquent.

24 If an Illinois resident who is a member of the Illinois  
25 National Guard or a reserve component of the armed forces of  
26 the United States and who has an ownership interest in property  
27 taxed under this Act is called to active duty for deployment  
28 outside the continental United States and is on active duty on  
29 the due date of any installment of taxes due under this Act, he  
30 or she shall not be deemed delinquent in the payment of the  
31 installment and no interest shall accrue or be charged as a  
32 penalty on the installment until one year ~~30 days~~ after that  
33 member returns from active duty. To be deemed not delinquent in  
34 the payment of an installment of taxes and any interest on that  
35 installment, the reservist or guardsperson must notify the

1 county clerk within 30 days after his or her deactivation and  
2 provide verification of the date of his or her deactivation. An  
3 installment of property taxes on the property of any reservist  
4 or guardsperson who fails to provide timely notice and  
5 verification of deactivation to the county clerk is subject to  
6 interest and penalties as delinquent taxes under this Code from  
7 the date of deactivation.

8 (Source: P.A. 91-199, eff. 1-1-00; 91-898, eff. 7-6-00.)

9 (35 ILCS 200/21-25)

10 Sec. 21-25. Due dates; accelerated billing in counties of  
11 3,000,000 or more. Except as hereinafter provided and as  
12 provided in Section 21-40, in counties with 3,000,000 or more  
13 inhabitants in which the accelerated method of billing and  
14 paying taxes provided for in Section 21-30 is in effect, the  
15 estimated first installment of unpaid taxes shall be deemed  
16 delinquent and shall bear interest after March 1 at the rate of  
17 1 1/2% per month or portion thereof until paid or forfeited.  
18 The second installment of unpaid taxes shall be deemed  
19 delinquent and shall bear interest after August 1 annually at  
20 the same interest rate until paid or forfeited.

21 If the county board elects by ordinance adopted prior to  
22 July 1 of a levy year to provide for taxes to be paid in 4  
23 installments, each installment for that levy year and each  
24 subsequent year shall be deemed delinquent and shall begin to  
25 bear interest 30 days after the date specified by the ordinance  
26 for mailing bills, at the rate of 1 1/2% per month or portion  
27 thereof, until paid or forfeited.

28 Payment received by mail and postmarked on or before the  
29 required due date is not delinquent.

30 Taxes levied on homestead property in which a member of the  
31 National Guard or reserves of the armed forces of the United  
32 States who was called to active duty on or after August 1,  
33 1990, and who has an ownership interest, shall not be deemed  
34 delinquent and no interest shall accrue or be charged as a  
35 penalty on such taxes due and payable in 1991 or 1992 until one

1 year after that member returns to civilian status.

2 If an Illinois resident who is a member of the Illinois  
3 National Guard or a reserve component of the armed forces of  
4 the United States and who has an ownership interest in property  
5 taxed under this Act is called to active duty for deployment  
6 outside the continental United States and is on active duty on  
7 the due date of any installment of taxes due under this Act, he  
8 or she shall not be deemed delinquent in the payment of the  
9 installment and no interest shall accrue or be charged as a  
10 penalty on the installment until one year ~~30 days~~ after that  
11 member returns to civilian status. To be deemed not delinquent  
12 in the payment of an installment of taxes and any interest on  
13 that installment, the reservist or guardsperson must notify the  
14 county clerk within 30 days after his or her deactivation and  
15 provide verification of the date of his or her deactivation. An  
16 installment of property taxes on the property of any reservist  
17 or guardsperson who fails to provide timely notice and  
18 verification of deactivation to the county clerk is subject to  
19 interest and penalties as delinquent taxes under this Code from  
20 the date of deactivation.

21 (Source: P.A. 91-199, eff. 1-1-00; 91-898, eff. 7-6-00.)

22 Section 99. Effective date. This Act takes effect upon  
23 becoming law.