



## 93RD GENERAL ASSEMBLY

### State of Illinois

#### 2003 and 2004

##### HB6931

Introduced 2/9/2004, by Paul D. Froehlich - James H. Meyer -  
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#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/14-20  
35 ILCS 200/15-10  
35 ILCS 200/15-172  
30 ILCS 805/8.28 new

Amends the Property Tax Code. Includes disabled persons within the provisions awarding an assessment freeze homestead exemption to senior citizens. Changes the name to the Senior Citizens and Disabled Persons Assessment Freeze Homestead Exemption (now Senior Citizens Assessment Freeze Homestead Exemption). Makes corresponding changes to a cross-reference to the exemption. Amends the freeze provision and the State Mandates Act to require implementation without reimbursement from the State. Effective immediately.

LRB093 18340 SJM 44046 b

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 changing  
5 Sections 14-20, 15-10, and 15-172 as follows:

6 (35 ILCS 200/14-20)

7 Sec. 14-20. Certificate of error; counties of less than  
8 3,000,000. In any county with less than 3,000,000 inhabitants,  
9 if, at any time before judgment or order of sale is entered in  
10 any proceeding to collect or to enjoin the collection of taxes  
11 based upon any assessment of any property, the chief county  
12 assessment officer discovers an error or mistake in the  
13 assessment (other than errors of judgment as to the valuation  
14 of the property), he or she shall issue to the person  
15 erroneously assessed a certificate setting forth the nature of  
16 the error and the cause or causes of the error. In any county  
17 with less than 3,000,000 inhabitants, if an owner fails to file  
18 an application for the Senior Citizens and Disabled Persons  
19 Assessment Freeze Homestead Exemption provided in Section  
20 15-172 during the previous assessment year and qualifies for  
21 the exemption, the Chief County Assessment Officer pursuant to  
22 this Section, or the Board of Review pursuant to Section 16-75,  
23 shall issue a certificate of error setting forth the correct  
24 taxable valuation of the property. The certificate, when  
25 properly endorsed by the majority of the board of review,  
26 showing their concurrence, and not otherwise, may be used in  
27 evidence in any court of competent jurisdiction, and when so  
28 introduced in evidence, shall become a part of the court record  
29 and shall not be removed from the files except on an order of  
30 the court.

31 (Source: P.A. 90-552, eff. 12-12-97; 91-377, eff. 7-30-99.)

1 (35 ILCS 200/15-10)

2 Sec. 15-10. Exempt property; procedures for certification.

3 All property granted an exemption by the Department pursuant to  
4 the requirements of Section 15-5 and described in the Sections  
5 following Section 15-30 and preceding Section 16-5, to the  
6 extent therein limited, is exempt from taxation. In order to  
7 maintain that exempt status, the titleholder or the owner of  
8 the beneficial interest of any property that is exempt must  
9 file with the chief county assessment officer, on or before  
10 January 31 of each year (May 31 in the case of property  
11 exempted by Section 15-170), an affidavit stating whether there  
12 has been any change in the ownership or use of the property or  
13 the status of the owner-resident, or that a disabled veteran  
14 who qualifies under Section 15-165 owned and used the property  
15 as of January 1 of that year. The nature of any change shall be  
16 stated in the affidavit. Failure to file an affidavit shall, in  
17 the discretion of the assessment officer, constitute cause to  
18 terminate the exemption of that property, notwithstanding any  
19 other provision of this Code. Owners of 5 or more such exempt  
20 parcels within a county may file a single annual affidavit in  
21 lieu of an affidavit for each parcel. The assessment officer,  
22 upon request, shall furnish an affidavit form to the owners, in  
23 which the owner may state whether there has been any change in  
24 the ownership or use of the property or status of the owner or  
25 resident as of January 1 of that year. The owner of 5 or more  
26 exempt parcels shall list all the properties giving the same  
27 information for each parcel as required of owners who file  
28 individual affidavits.

29 However, titleholders or owners of the beneficial interest  
30 in any property exempted under any of the following provisions  
31 are not required to submit an annual filing under this Section:

32 (1) Section 15-45 (burial grounds) in counties of less  
33 than 3,000,000 inhabitants and owned by a not-for-profit  
34 organization.

35 (2) Section 15-40.

36 (3) Section 15-50 (United States property).

1 If there is a change in use or ownership, however, notice  
2 must be filed pursuant to Section 15-20.

3 An application for homestead exemptions shall be filed as  
4 provided in Section 15-170 (senior citizens homestead  
5 exemption), Section 15-172 (senior citizens and disabled  
6 persons assessment freeze homestead exemption), and Section  
7 15-175 (general homestead exemption), respectively.

8 (Source: P.A. 92-333, eff. 8-10-01; 92-729, eff. 7-25-02.)

9 (35 ILCS 200/15-172)

10 Sec. 15-172. Senior Citizens and Disabled Persons  
11 Assessment Freeze Homestead Exemption.

12 (a) This Section may be cited as the Senior Citizens and  
13 Disabled Persons Assessment Freeze Homestead Exemption.

14 (b) As used in this Section:

15 "Applicant" means an individual who has filed an  
16 application under this Section.

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

21 "Base year" means the taxable year prior to the taxable  
22 year for which the applicant first qualifies and applies for  
23 the exemption provided that in the prior taxable year the  
24 property was improved with a permanent structure that was  
25 occupied as a residence by the applicant who was liable for  
26 paying real property taxes on the property and who was either  
27 (i) an owner of record of the property or had legal or  
28 equitable interest in the property as evidenced by a written  
29 instrument or (ii) had a legal or equitable interest as a  
30 lessee in the parcel of property that was single family  
31 residence. If in any subsequent taxable year for which the  
32 applicant applies and qualifies for the exemption the equalized  
33 assessed value of the residence is less than the equalized  
34 assessed value in the existing base year (provided that such  
35 equalized assessed value 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 For taxable year 1999 only, the Chief County Assessment Officer  
6 shall review (i) all taxable years for which the applicant  
7 applied and qualified for the exemption and (ii) the existing  
8 base year. The assessment officer shall select as the new base  
9 year the year with the lowest equalized assessed value. An  
10 equalized assessed value that is based on an assessed value  
11 that results from a temporary irregularity in the property that  
12 reduces the assessed value for one or more taxable years shall  
13 not be considered the lowest equalized assessed value. The  
14 selected year shall be the base year for taxable year 1999 and  
15 thereafter until a new base year is established under the terms  
16 of this paragraph.

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

20 "Disabled person" means a person unable to engage in any  
21 substantial gainful activity by reason of a medically  
22 determinable physical or mental impairment that (i) can be  
23 expected to result in death or (ii) has lasted or can be  
24 expected to last for a continuous period of not less than 12  
25 months. Disabled persons applying for the exemption under this  
26 Section must submit proof of the disability in the manner  
27 prescribed by the chief county assessment officer. Proof that  
28 an applicant is eligible to receive disability benefits under  
29 the federal Social Security Act constitutes proof of disability  
30 for purposes of this Section. Issuance of an Illinois Disabled  
31 Person Identification Card to the applicant stating that the  
32 possessor is under a Class 2 disability, as defined in Section  
33 4A of the Illinois Identification Card Act, constitutes proof  
34 that the person is a disabled person for purposes of this  
35 Section. A disabled person not covered under the federal Social  
36 Security Act and not presenting a Disabled Person

1 Identification Card stating that the claimant is under a Class  
2 2 disability shall be examined by a physician designated by the  
3 chief county assessment officer, and the status as a disabled  
4 person shall be determined using the standards of the Social  
5 Security Administration. The applicant shall pay the costs of  
6 any required examination.

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

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

12 "Household income" means the combined income of the members  
13 of a household for the calendar year preceding the taxable  
14 year.

15 "Income" has the same meaning as provided in Section 3.07  
16 of the Senior Citizens and Disabled Persons Property Tax Relief  
17 and Pharmaceutical Assistance Act, except that, beginning in  
18 assessment year 2001, "income" does not include veteran's  
19 benefits.

20 "Internal Revenue Code of 1986" means the United States  
21 Internal Revenue Code of 1986 or any successor law or laws  
22 relating to federal income taxes in effect for the year  
23 preceding the taxable year.

24 "Life care facility that qualifies as a cooperative" means  
25 a facility as defined in Section 2 of the Life Care Facilities  
26 Act.

27 "Residence" means the principal dwelling place and  
28 appurtenant structures used for residential purposes in this  
29 State occupied on January 1 of the taxable year by a household  
30 and so much of the surrounding land, constituting the parcel  
31 upon which the dwelling place is situated, as is used for  
32 residential purposes. If the Chief County Assessment Officer  
33 has established a specific legal description for a portion of  
34 property constituting the residence, then that portion of  
35 property shall be deemed the residence for the purposes of this  
36 Section.

1 "Taxable year" means the calendar year during which ad  
2 valorem property taxes payable in the next succeeding year are  
3 levied.

4 (c) Beginning in (1) taxable year 1994, for a senior  
5 citizens and (2) taxable year 2005, for disabled persons, an  
6 assessment freeze homestead exemption is granted for real  
7 property that is improved with a permanent structure that is  
8 occupied as a residence by an applicant who (i) is 65 years of  
9 age or older, or disabled, during the taxable year, (ii) has a  
10 household income of \$35,000 or less prior to taxable year 1999  
11 or \$40,000 or less in taxable year 1999 and thereafter, (iii)  
12 is liable for paying real property taxes on the property, and  
13 (iv) is an owner of record of the property or has a legal or  
14 equitable interest in the property as evidenced by a written  
15 instrument. This homestead exemption shall also apply to a  
16 leasehold interest in a parcel of property improved with a  
17 permanent structure that is a single family residence that is  
18 occupied as a residence by a person who (i) is 65 years of age  
19 or older, or disabled, during the taxable year, (ii) has a  
20 household income of \$35,000 or less prior to taxable year 1999  
21 or \$40,000 or less in taxable year 1999 and thereafter, (iii)  
22 has a legal or equitable ownership interest in the property as  
23 lessee, and (iv) is liable for the payment of real property  
24 taxes on that property.

25 The amount of this exemption shall be the equalized  
26 assessed value of the residence in the taxable year for which  
27 application is made minus the base amount.

28 When the applicant is a surviving spouse of an applicant  
29 for a prior year for the same residence for which an exemption  
30 under this Section has been granted, the base year and base  
31 amount for that residence are the same as for the applicant for  
32 the prior year.

33 Each year at the time the assessment books are certified to  
34 the County Clerk, the Board of Review or Board of Appeals shall  
35 give to the County Clerk a list of the assessed values of  
36 improvements on each parcel qualifying for this exemption that

1 were added after the base year for this parcel and that  
2 increased the assessed value of the property.

3 In the case of land improved with an apartment building  
4 owned and operated as a cooperative or a building that is a  
5 life care facility that qualifies as a cooperative, the maximum  
6 reduction from the equalized assessed value of the property is  
7 limited to the sum of the reductions calculated for each unit  
8 occupied as a residence by a person or persons 65 years of age  
9 or older, or disabled, with a household income of \$35,000 or  
10 less prior to taxable year 1999 or \$40,000 or less in taxable  
11 year 1999 and thereafter who is liable, by contract with the  
12 owner or owners of record, for paying real property taxes on  
13 the property and who is an owner of record of a legal or  
14 equitable interest in the cooperative apartment building,  
15 other than a leasehold interest. In the instance of a  
16 cooperative where a homestead exemption has been granted under  
17 this Section, the cooperative association or its management  
18 firm shall credit the savings resulting from that exemption  
19 only to the apportioned tax liability of the owner who  
20 qualified for the exemption. Any person who willfully refuses  
21 to credit that savings to an owner who qualifies for the  
22 exemption is guilty of a Class B misdemeanor.

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

30 Beginning January 1, 1997 for senior citizens and January  
31 1, 2005 for disabled persons, when an individual dies who would  
32 have qualified for an exemption under this Section, and the  
33 surviving spouse does not independently qualify for this  
34 exemption because he or she meets neither the ~~of~~ age nor the  
35 disability requirement, the exemption under this Section shall  
36 be granted to the surviving spouse for the taxable year



1 preceding and the taxable year of the death, provided that,  
2 except for meeting neither the age nor the disability  
3 requirement, the surviving spouse meets all ~~other~~  
4 qualifications for the granting of this exemption for those  
5 years.

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

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

1 Senior Citizens and Disabled Persons Assessment Freeze  
2 Homestead Exemption.

3 Notwithstanding any other provision to the contrary, in  
4 counties having fewer than 3,000,000 inhabitants, if an  
5 applicant fails to file the application required by this  
6 Section in a timely manner and this failure to file is due to a  
7 mental or physical condition sufficiently severe so as to  
8 render the applicant incapable of filing the application in a  
9 timely manner, the Chief County Assessment Officer may extend  
10 the filing deadline for a period of 30 days after the applicant  
11 regains the capability to file the application, but in no case  
12 may the filing deadline be extended beyond 3 months of the  
13 original filing deadline. In order to receive the extension  
14 provided in this paragraph, the applicant shall provide the  
15 Chief County Assessment Officer with a signed statement from  
16 the applicant's physician stating the nature and extent of the  
17 condition, that, in the physician's opinion, the condition was  
18 so severe that it rendered the applicant incapable of filing  
19 the application in a timely manner, and the date on which the  
20 applicant regained the capability to file the application.

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

36 In counties having less than 3,000,000 inhabitants, if an

1 applicant was denied an exemption in taxable year 1994 and the  
2 denial occurred due to an error on the part of an assessment  
3 official, or his or her agent or employee, then beginning in  
4 taxable year 1997 the applicant's base year, for purposes of  
5 determining the amount of the exemption, shall be 1993 rather  
6 than 1994. In addition, in taxable year 1997, the applicant's  
7 exemption shall also include an amount equal to (i) the amount  
8 of any exemption denied to the applicant in taxable year 1995  
9 as a result of using 1994, rather than 1993, as the base year,  
10 (ii) the amount of any exemption denied to the applicant in  
11 taxable year 1996 as a result of using 1994, rather than 1993,  
12 as the base year, and (iii) the amount of the exemption  
13 erroneously denied for taxable year 1994.

14 For purposes of this Section, a person who will be 65 years  
15 of age or is disabled during the current taxable year shall be  
16 eligible to apply for the homestead exemption during that  
17 taxable year. Application shall be made during the application  
18 period in effect for the county of his or her residence.

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

29 Except as provided in this Section, all information  
30 received by the chief county assessment officer or the  
31 Department from applications filed under this Section, or from  
32 any investigation conducted under the provisions of this  
33 Section, shall be confidential, except for official purposes or  
34 pursuant to official procedures for collection of any State or  
35 local tax or enforcement of any civil or criminal penalty or  
36 sanction imposed by this Act or by any statute or ordinance

1 imposing a State or local tax. Any person who divulges any such  
2 information in any manner, except in accordance with a proper  
3 judicial order, is guilty of a Class A misdemeanor.

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

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

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

22 (Source: P.A. 90-14, eff. 7-1-97; 90-204, eff. 7-25-97; 90-523,  
23 eff. 11-13-97; 90-524, eff. 1-1-98; 90-531, eff. 1-1-98;  
24 90-655, eff. 7-30-98; 91-45, eff. 6-30-99; 91-56, eff. 6-30-99;  
25 91-819, eff. 6-13-00.)

26 Section 90. The State Mandates Act is amended by adding  
27 Section 8.28 as follows:

28 (30 ILCS 805/8.28 new)

29 Sec. 8.28. Exempt mandate. Notwithstanding Sections 6 and  
30 8 of this Act, no reimbursement by the State is required for  
31 the implementation of any mandate created by the Senior  
32 Citizens and Disabled Persons Assessment Freeze Homestead  
33 Exemption under Section 15-172 of the Property Tax Code.

1           Section 99. Effective date. This Act takes effect upon  
2    becoming law.