



## 93RD GENERAL ASSEMBLY

### State of Illinois

#### 2003 and 2004

##### HB6962

Introduced 2/9/2004, by Robert W. Pritchard - Paul D. Froehlich - William B. Black - James H. Meyer - Angelo Saviano

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-175

Amends the Property Tax Code. Provides that for all counties, except counties with 3,000,000 or more inhabitants, the maximum reduction from assessed value for the general homestead exemption shall be \$4,500 for taxable years 2004 and thereafter (now, \$3,500). Effective immediately.

LRB093 19980 SJM 45724 b

FISCAL NOTE ACT  
MAY APPLY

HOUSING  
AFFORDABILITY  
IMPACT NOTE ACT  
MAY APPLY

STATE MANDATES  
ACT MAY REQUIRE  
REIMBURSEMENT

1 AN ACT concerning taxation.

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 15-175 as follows:

6 (35 ILCS 200/15-175)

7 Sec. 15-175. General homestead exemption. Homestead  
8 property is entitled to an annual homestead exemption limited,  
9 except as described here with relation to cooperatives, to a  
10 reduction in the equalized assessed value of homestead property  
11 equal to the increase in equalized assessed value for the  
12 current assessment year above the equalized assessed value of  
13 the property for 1977, up to the maximum reduction set forth  
14 below. If however, the 1977 equalized assessed value upon which  
15 taxes were paid is subsequently determined by local assessing  
16 officials, the Property Tax Appeal Board, or a court to have  
17 been excessive, the equalized assessed value which should have  
18 been placed on the property for 1977 shall be used to determine  
19 the amount of the exemption.

20 The maximum reduction shall be \$4,500 in counties with  
21 3,000,000 or more inhabitants ~~and \$3,500 in all other counties.~~  
22 In all other counties the maximum reduction shall be \$3,500 for  
23 taxable years 2003 and before and \$4,500 for taxable years 2004  
24 and thereafter.

25 In counties with fewer than 3,000,000 inhabitants, if,  
26 based on the most recent assessment, the equalized assessed  
27 value of the homestead property for the current assessment year  
28 is greater than the equalized assessed value of the property  
29 for 1977, the owner of the property shall automatically receive  
30 the exemption granted under this Section in an amount equal to  
31 the increase over the 1977 assessment up to the maximum  
32 reduction set forth in this Section.

1           If in any assessment year beginning with the 2000  
2 assessment year, homestead property has a pro-rata valuation  
3 under Section 9-180 resulting in an increase in the assessed  
4 valuation, a reduction in equalized assessed valuation equal to  
5 the increase in equalized assessed value of the property for  
6 the year of the pro-rata valuation above the equalized assessed  
7 value of the property for 1977 shall be applied to the property  
8 on a proportionate basis for the period the property qualified  
9 as homestead property during the assessment year. The maximum  
10 proportionate homestead exemption shall not exceed the maximum  
11 homestead exemption allowed in the county under this Section  
12 divided by 365 and multiplied by the number of days the  
13 property qualified as homestead property.

14           "Homestead property" under this Section includes  
15 residential property that is occupied by its owner or owners as  
16 his or their principal dwelling place, or that is a leasehold  
17 interest on which a single family residence is situated, which  
18 is occupied as a residence by a person who has an ownership  
19 interest therein, legal or equitable or as a lessee, and on  
20 which the person is liable for the payment of property taxes.  
21 For land improved with an apartment building owned and operated  
22 as a cooperative or a building which is a life care facility as  
23 defined in Section 15-170 and considered to be a cooperative  
24 under Section 15-170, the maximum reduction from the equalized  
25 assessed value shall be limited to the increase in the value  
26 above the equalized assessed value of the property for 1977, up  
27 to the maximum reduction set forth above, multiplied by the  
28 number of apartments or units occupied by a person or persons  
29 who is liable, by contract with the owner or owners of record,  
30 for paying property taxes on the property and is an owner of  
31 record of a legal or equitable interest in the cooperative  
32 apartment building, other than a leasehold interest. For  
33 purposes of this Section, the term "life care facility" has the  
34 meaning stated in Section 15-170.

35           In a cooperative where a homestead exemption has been  
36 granted, the cooperative association or its management firm

1 shall credit the savings resulting from that exemption only to  
2 the apportioned tax liability of the owner who qualified for  
3 the exemption. Any person who willfully refuses to so credit  
4 the savings shall be guilty of a Class B misdemeanor.

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

9 In counties with more than 3,000,000 inhabitants, the  
10 assessor or chief county assessment officer may determine the  
11 eligibility of residential property to receive the homestead  
12 exemption by application, visual inspection, questionnaire or  
13 other reasonable methods. The determination shall be made in  
14 accordance with guidelines established by the Department. In  
15 counties with fewer than 3,000,000 inhabitants, in the event of  
16 a sale of homestead property the homestead exemption shall  
17 remain in effect for the remainder of the assessment year of  
18 the sale. The assessor or chief county assessment officer may  
19 require the new owner of the property to apply for the  
20 homestead exemption for the following assessment year.

21 (Source: P.A. 90-368, eff. 1-1-98; 90-552, eff. 12-12-97;  
22 90-655, eff. 7-30-98; 91-346, eff. 7-29-99.)

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