

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 State Finance Act is amended by adding
5 Sections 5.595 and 6z-59 as follows:

6 (30 ILCS 105/5.595 new)

7 Sec. 5.595. The Tax Recovery Fund.

8 (30 ILCS 105/6z-59 new)

9 Sec. 6z-59. The Tax Recovery Fund. There is created in
10 the State treasury the Tax Recovery Fund. Through December
11 31, 2010, all moneys received from the rental, authorized
12 under Section 2705-555 of the Department of Transportation
13 Law of the Civil Administrative Code of Illinois, of land,
14 buildings, or improvements on property held for development
15 of an airport in Will County by the Department of
16 Transportation shall be remitted to the State Treasurer for
17 payment into the Tax Recovery Fund. Subject to appropriation,
18 the moneys in the Fund shall be expended with the following
19 priority: (1) to compensate units of local government for
20 property taxes that would have been extended and collected on
21 Will County real property before ownership by the State for
22 the development of the airport (tax compensation); then (2)
23 to pay maintenance and repair costs for that real property.
24 The tax compensation shall be determined in accordance with
25 Section 15-55 of the Property Tax Code. Expenditures for
26 these purposes may be made by Department of Transportation
27 without regard to the fiscal year in which tax compensation
28 liability and property maintenance and repair costs were
29 incurred. Unexpended moneys in the Fund shall not be
30 transferred or allocated by the Comptroller or Treasurer to

1 any other fund nor shall the Governor authorize the transfer
2 or allocation of those moneys to any other fund. After
3 December 31, 2010, all moneys received from the rental,
4 authorized under Section 2705-555 of the Department of
5 Transportation Law of the Civil Administrative Code of
6 Illinois, of land, buildings, or improvements on property
7 held for the development of an airport in Will County by the
8 Department of Transportation shall not be remitted to the Tax
9 Recovery Fund but shall instead be paid to the General
10 Revenue Fund. The balance remaining in the Tax Recovery Fund
11 on December 31, 2010 shall first be expended to compensate
12 units of local government for taxes for the 2010 property tax
13 assessment year, and then transferred to the General Revenue
14 Fund for the purpose of debt service on State bonds issued to
15 provide funds for airport land acquisition in Will County.

16 Section 10. The Property Tax Code is amended by changing
17 Section 15-55 as follows:

18 (35 ILCS 200/15-55)

19 Sec. 15-55. State property. All property belonging to
20 the State of Illinois is exempt. However, the State agency
21 holding title shall file the certificate of ownership and use
22 required by Section 15-10, together with a copy of any
23 written lease or agreement, in effect on March 30 of the
24 assessment year, concerning parcels of 1 acre or more, or an
25 explanation of the terms of any oral agreement under which
26 the property is leased, subleased or rented.

27 The leased property shall be assessed to the lessee and
28 the taxes thereon extended and billed to the lessee, and
29 collected in the same manner as for property which is not
30 exempt. The lessee shall be liable for the taxes and no lien
31 shall attach to the property of the State.

32 For the purposes of this Section, the word "leases"

1 includes licenses, franchises, operating agreements and other
2 arrangements under which private individuals, associations or
3 corporations are granted the right to use property of the
4 Illinois State Toll Highway Authority and includes all
5 property of the Authority used by others without regard to
6 the size of the leased parcel.

7 However, all property of every kind belonging to the
8 State of Illinois, which is or may hereafter be leased to the
9 Illinois Prairie Path Corporation, shall be exempt from all
10 assessments, taxation or collection, despite the making of
11 any such lease, if it is used for:

12 (a) conservation, nature trail or any other
13 charitable, scientific, educational or recreational
14 purposes with public benefit, including the preserving
15 and aiding in the preservation of natural areas, objects,
16 flora, fauna or biotic communities;

17 (b) the establishment of footpaths, trails and
18 other protected areas;

19 (c) the conservation of the proper use of natural
20 resources or the promotion of the study of plant and
21 animal communities and of other phases of ecology,
22 natural history and conservation;

23 (d) the promotion of education in the fields of
24 nature, preservation and conservation; or

25 (e) similar public recreational activities
26 conducted by the Illinois Prairie Path Corporation.

27 No lien shall attach to the property of the State. No tax
28 liability shall become the obligation of or be enforceable
29 against Illinois Prairie Path Corporation.

30 However, the lessee of each parcel of real property in
31 Will County owned by the State of Illinois for the purpose of
32 developing an airport by the Department of Transportation
33 shall not be liable for the taxes thereon. In order for the
34 State to compensate units of local government for taxes that

1 would have been extended and collected on Will County real
2 property before ownership by the State for the development of
3 the airport, the Will County Supervisor of Assessments shall
4 certify, in writing, to the Department of Transportation, the
5 amount of assessed taxes for each such parcel for the 2001
6 property tax year. The Department of Transportation shall pay
7 to the Will County Treasurer, from the Tax Recovery Fund, on
8 or before July 1 of each year, the amount of rent collected
9 for each parcel during the previous year (tax compensation).
10 The payment, however, shall not exceed, for each parcel, the
11 assessed tax amount for the 2001 property tax year. Annually
12 the Will County Treasurer shall distribute a portion of the
13 entire payment for each parcel to the corporate authorities
14 of each taxing district in an amount equal to that taxing
15 district's pro rata share of that parcel's 2001 property tax
16 bill. The Will County Treasurer shall treat the annual
17 Department of Transportation payments as taxes for the
18 limited purpose of distributing the payments in accordance
19 with Sections 20-85 through 20-160 of this Code. The tax
20 compensation shall terminate on December 31, 2010. It is the
21 duty of the Department of Transportation to file with the
22 Office of the Will County Supervisor of Assessments an
23 affidavit stating the termination date for rental of each
24 such parcel due to airport construction. The affidavit shall
25 include the property identification number for each such
26 parcel. In no instance shall tax compensation for property
27 owned by the State be deemed delinquent or bear interest. In
28 no instance shall a lien attach to the property of the State.
29 In no instance shall the State be required to pay property
30 tax compensation in excess of the Tax Recovery Fund's
31 balance.

32 Public Act 81-1026 applies to all leases or agreements
33 entered into or renewed on or after September 24, 1979.

34 (Source: P.A. 86-413; 88-455.)

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