

1 AMENDMENT TO SENATE BILL 1498

2 AMENDMENT NO. _____. Amend Senate Bill 1498 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Economic Development Area Tax Increment
5 Allocation Act is amended by changing Section 6 as follows:

6 (20 ILCS 620/6) (from Ch. 67 1/2, par. 1006)

7 Sec. 6. Filing with county clerk; certification of
8 initial equalized assessed value.

9 (a) The municipality shall file a certified copy of any
10 ordinance authorizing tax increment allocation financing for
11 an economic development project area with the county clerk,
12 and the county clerk shall immediately thereafter determine
13 (1) the most recently ascertained equalized assessed value of
14 each lot, block, tract or parcel of real property within the
15 economic development project area from which shall be
16 deducted the homestead exemptions provided by Sections
17 15-170, and 15-175, and 15-176 of the Property Tax Code,
18 which value shall be the "initial equalized assessed value"
19 of each such piece of property, and (2) the total equalized
20 assessed value of all taxable real property within the
21 economic development project area by adding together the most
22 recently ascertained equalized assessed value of each taxable

1 lot, block, tract, or parcel of real property within such
2 economic development project area, from which shall be
3 deducted the homestead exemptions provided by Sections
4 15-170, and 15-175, and 15-176 of the Property Tax Code, and
5 shall certify such amount as the "total initial equalized
6 assessed value" of the taxable real property within the
7 economic development project area.

8 (b) After the county clerk has certified the "total
9 initial equalized assessed value" of the taxable real
10 property in the economic development project area, then in
11 respect to every taxing district containing an economic
12 development project area, the county clerk or any other
13 official required by law to ascertain the amount of the
14 equalized assessed value of all taxable property within that
15 taxing district for the purpose of computing the rate per
16 cent of tax to be extended upon taxable property within that
17 taxing district, shall in every year that tax increment
18 allocation financing is in effect ascertain the amount of
19 value of taxable property in an economic development project
20 area by including in that amount the lower of the current
21 equalized assessed value or the certified "total initial
22 equalized assessed value" of all taxable real property in
23 such area. The rate per cent of tax determined shall be
24 extended to the current equalized assessed value of all
25 property in the economic development project area in the same
26 manner as the rate per cent of tax is extended to all other
27 taxable property in the taxing district. The method of
28 allocating taxes established under this Section shall
29 terminate when the municipality adopts an ordinance
30 dissolving the special tax allocation fund for the economic
31 development project area, terminating the economic
32 development project area, and terminating the use of tax
33 increment allocation financing for the economic development
34 project area. This Act shall not be construed as relieving

1 property owners within an economic development project area
2 from paying a uniform rate of taxes upon the current
3 equalized assessed value of their taxable property as
4 provided in the Property Tax Code.

5 (Source: P.A. 88-670, eff. 12-2-94.)

6 Section 10. The Property Tax Code is amended by changing
7 Sections 14-15, 15-10, 15-170, 15-175, and 20-178 and by
8 adding Section 15-176 as follows:

9 (35 ILCS 200/14-15)

10 Sec. 14-15. Certificate of error; counties of 3,000,000
11 or more.

12 (a) In counties with 3,000,000 or more inhabitants, if,
13 after the assessment is certified pursuant to Section 16-150,
14 but subject to the limitations of subsection (c) of this
15 Section, the county assessor discovers an error or mistake in
16 the assessment, the assessor shall execute a certificate
17 setting forth the nature and cause of the error. The
18 certificate when endorsed by the county assessor, or when
19 endorsed by the county assessor and board of appeals (until
20 the first Monday in December 1998 and the board of review
21 beginning the first Monday in December 1998 and thereafter)
22 where the certificate is executed for any assessment which
23 was the subject of a complaint filed in the board of appeals
24 (until the first Monday in December 1998 and the board of
25 review beginning the first Monday in December 1998 and
26 thereafter) for the tax year for which the certificate is
27 issued, may, either be certified according to the procedure
28 authorized by this Section or be presented and received in
29 evidence in any court of competent jurisdiction.
30 Certification is authorized, at the discretion of the county
31 assessor, for: (1) certificates of error allowing homestead
32 exemptions pursuant to Sections 15-170, 15-172, and 15-175,

1 and 15-176; (2) certificates of error on residential property
2 of 6 units or less; (3) certificates of error allowing
3 exemption of the property pursuant to Section 14-25; and (4)
4 other certificates of error reducing assessed value by less
5 than \$100,000. Any certificate of error not certified shall
6 be presented to the court. The county assessor shall develop
7 reasonable procedures for the filing and processing of
8 certificates of error. Prior to the certification or
9 presentation to the court, the county assessor or his or her
10 designee shall execute and include in the certificate of
11 error a statement attesting that all procedural requirements
12 pertaining to the issuance of the certificate of error have
13 been met and that in fact an error exists. When so introduced
14 in evidence such certificate shall become a part of the court
15 records, and shall not be removed from the files except upon
16 the order of the court.

17 Certificates of error that will be presented to the court
18 shall be filed as an objection in the application for
19 judgment and order of sale for the year in relation to which
20 the certificate is made or as an amendment to the objection
21 under subsection (b). Certificates of error that are to be
22 certified according to the procedure authorized by this
23 Section need not be presented to the court as an objection or
24 an amendment under subsection (b). The State's Attorney of
25 the county in which the property is situated shall mail a
26 copy of any final judgment entered by the court regarding any
27 certificate of error to the taxpayer of record for the year
28 in question.

29 Any unpaid taxes after the entry of the final judgment by
30 the court or certification on certificates issued under this
31 Section may be included in a special tax sale, provided that
32 an advertisement is published and a notice is mailed to the
33 person in whose name the taxes were last assessed, in a form
34 and manner substantially similar to the advertisement and

1 notice required under Sections 21-110 and 21-135. The
 2 advertisement and sale shall be subject to all provisions of
 3 law regulating the annual advertisement and sale of
 4 delinquent property, to the extent that those provisions may
 5 be made applicable.

6 A certificate of error certified under this Section shall
 7 be given effect by the county treasurer, who shall mark the
 8 tax books and, upon receipt of one of the following
 9 certificates from the county assessor or the county assessor
 10 and the board of review where the board of review is required
 11 to endorse the certificate of error, shall issue refunds to
 12 the taxpayer accordingly:

13 "CERTIFICATION

14 I,, county assessor, hereby certify
 15 that the Certificates of Error set out on the attached
 16 list have been duly issued to correct an error or mistake
 17 in the assessment."

18 "CERTIFICATION

19 I,, county assessor, and we,
 20,
 21 members of the board of review, hereby certify that the
 22 Certificates of Error set out on the attached list have
 23 been duly issued to correct an error or mistake in the
 24 assessment and that any certificates of error required to
 25 be endorsed by the board of review have been so
 26 endorsed."

27 The county treasurer has the power to mark the tax books
 28 to reflect the issuance of certificates of error certified
 29 according to the procedure authorized in this Section for
 30 certificates of error issued under Section 14-25 or
 31 certificates of error issued to and including 3 years after
 32 the date on which the annual judgment and order of sale for
 33 that tax year was first entered. The county treasurer has

1 the power to issue refunds to the taxpayer as set forth above
2 until all refunds authorized by this Section have been
3 completed.

4 To the extent that the certificate of error obviates the
5 liability for nonpayment of taxes, certification of a
6 certificate of error according to the procedure authorized in
7 this Section shall operate to vacate any judgment or
8 forfeiture as to that year's taxes, and the warrant books and
9 judgment books shall be marked to reflect that the judgment
10 or forfeiture has been vacated.

11 (b) Nothing in subsection (a) of this Section shall be
12 construed to prohibit the execution, endorsement, issuance,
13 and adjudication of a certificate of error if (i) the annual
14 judgment and order of sale for the tax year in question is
15 reopened for further proceedings upon consent of the county
16 collector and county assessor, represented by the State's
17 Attorney, and (ii) a new final judgment is subsequently
18 entered pursuant to the certificate. This subsection (b)
19 shall be construed as declarative of existing law and not as
20 a new enactment.

21 (c) No certificate of error, other than a certificate to
22 establish an exemption under Section 14-25, shall be executed
23 for any tax year more than 3 years after the date on which
24 the annual judgment and order of sale for that tax year was
25 first entered, except that during calendar years 1999 and
26 2000 a certificate of error may be executed for any tax year,
27 provided that the error or mistake in the assessment was
28 discovered no more than 3 years after the date on which the
29 annual judgment and order of sale for that tax year was first
30 entered.

31 (d) The time limitation of subsection (c) shall not
32 apply to a certificate of error correcting an assessment to
33 \$1, under Section 10-35, on a parcel that a subdivision or
34 planned development has acquired by adverse possession, if

1 during the tax year for which the certificate is executed the
2 subdivision or planned development used the parcel as common
3 area, as defined in Section 10-35, and if application for the
4 certificate of error is made prior to December 1, 1997.

5 (e) The changes made by this amendatory Act of the 91st
6 General Assembly apply to certificates of error issued
7 before, on, and after the effective date of this amendatory
8 Act of the 91st General Assembly.

9 (Source: P.A. 90-4, eff. 3-7-97; 90-288, eff. 8-1-97; 90-655,
10 eff. 7-30-98; 91-393, eff. 7-30-99; 91-686, eff. 1-26-00.)

11 (35 ILCS 200/15-10)

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

1 affidavit form to the owners, in which the owner may state
 2 whether there has been any change in the ownership or use of
 3 the property or status of the owner or resident as of January
 4 1 of that year. The owner of 5 or more exempt parcels shall
 5 list all the properties giving the same information for each
 6 parcel as required of owners who file individual affidavits.

7 However, titleholders or owners of the beneficial
 8 interest in any property exempted under any of the following
 9 provisions are not required to submit an annual filing under
 10 this Section:

- 11 (1) Section 15-45 (burial grounds) in counties of
 12 less than 3,000,000 inhabitants and owned by a
 13 not-for-profit organization.
- 14 (2) Section 15-40.
- 15 (3) Section 15-50 (United States property).

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

18 An application for homestead exemptions shall be filed as
 19 provided in Section 15-170 (senior citizens homestead
 20 exemption), Section 15-172 (senior citizens assessment freeze
 21 homestead exemption), and Sections Section 15-175 and 15-176
 22 (general homestead exemption), respectively.

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

24 (35 ILCS 200/15-170)
 25 Sec. 15-170. Senior Citizens Homestead Exemption. An
 26 annual homestead exemption limited, except as described here
 27 with relation to cooperatives or life care facilities, to a
 28 maximum reduction set forth below from the property's value,
 29 as equalized or assessed by the Department, is granted for
 30 property that is occupied as a residence by a person 65
 31 years of age or older who is liable for paying real estate
 32 taxes on the property and is an owner of record of the
 33 property or has a legal or equitable interest therein as

1 evidenced by a written instrument, except for a leasehold
2 interest, other than a leasehold interest of land on which a
3 single family residence is located, which is occupied as a
4 residence by a person 65 years or older who has an ownership
5 interest therein, legal, equitable or as a lessee, and on
6 which he or she is liable for the payment of property taxes.
7 The maximum reduction shall be \$2,500 in counties with
8 3,000,000 or more inhabitants and \$2,000 in all other
9 counties. For land improved with an apartment building owned
10 and operated as a cooperative, the maximum reduction from the
11 value of the property, as equalized by the Department, shall
12 be multiplied by the number of apartments or units occupied
13 by a person 65 years of age or older who is liable, by
14 contract with the owner or owners of record, for paying
15 property taxes on the property and is an owner of record of a
16 legal or equitable interest in the cooperative apartment
17 building, other than a leasehold interest. For land improved
18 with a life care facility, the maximum reduction from the
19 value of the property, as equalized by the Department, shall
20 be multiplied by the number of apartments or units occupied
21 by persons 65 years of age or older, irrespective of any
22 legal, equitable, or leasehold interest in the facility, who
23 are liable, under a contract with the owner or owners of
24 record of the facility, for paying property taxes on the
25 property. In a cooperative or a life care facility where a
26 homestead exemption has been granted, the cooperative
27 association or the management firm of the cooperative or
28 facility shall credit the savings resulting from that
29 exemption only to the apportioned tax liability of the owner
30 or resident who qualified for the exemption. Any person who
31 willfully refuses to so credit the savings shall be guilty of
32 a Class B misdemeanor. Under this Section and Section 15-175,
33 "life care facility" means a facility as defined in Section 2
34 of the Life Care Facilities Act, with which the applicant for

1 the homestead exemption has a life care contract as defined
2 in that Act.

3 When a homestead exemption has been granted under this
4 Section and the person qualifying subsequently becomes a
5 resident of a facility licensed under the Nursing Home Care
6 Act, the exemption shall continue so long as the residence
7 continues to be occupied by the qualifying person's spouse if
8 the spouse is 65 years of age or older, or if the residence
9 remains unoccupied but is still owned by the person qualified
10 for the homestead exemption.

11 A person who will be 65 years of age during the current
12 assessment year shall be eligible to apply for the homestead
13 exemption during that assessment year. Application shall be
14 made during the application period in effect for the county
15 of his residence.

16 Beginning with assessment year 2003, for taxes payable in
17 2004, property that is first occupied as a residence after
18 January 1 of any assessment year by a person who is eligible
19 for the senior citizens homestead exemption under this
20 Section must be granted a pro-rata exemption for the
21 assessment year. The amount of the pro-rata exemption is the
22 exemption allowed in the county under this Section divided by
23 365 and multiplied by the number of days during the
24 assessment year the property is occupied as a residence by a
25 person eligible for the exemption under this Section. The
26 chief county assessment officer must adopt reasonable
27 procedures to establish eligibility for this pro-rata
28 exemption.

29 The assessor or chief county assessment officer may
30 determine the eligibility of a life care facility to receive
31 the benefits provided by this Section, by affidavit,
32 application, visual inspection, questionnaire or other
33 reasonable methods in order to insure that the tax savings
34 resulting from the exemption are credited by the management

1 firm to the apportioned tax liability of each qualifying
2 resident. The assessor may request reasonable proof that the
3 management firm has so credited the exemption.

4 The chief county assessment officer of each county with
5 less than 3,000,000 inhabitants shall provide to each person
6 allowed a homestead exemption under this Section a form to
7 designate any other person to receive a duplicate of any
8 notice of delinquency in the payment of taxes assessed and
9 levied under this Code on the property of the person
10 receiving the exemption. The duplicate notice shall be in
11 addition to the notice required to be provided to the person
12 receiving the exemption, and shall be given in the manner
13 required by this Code. The person filing the request for the
14 duplicate notice shall pay a fee of \$5 to cover
15 administrative costs to the supervisor of assessments, who
16 shall then file the executed designation with the county
17 collector. Notwithstanding any other provision of this Code
18 to the contrary, the filing of such an executed designation
19 requires the county collector to provide duplicate notices as
20 indicated by the designation. A designation may be rescinded
21 by the person who executed such designation at any time, in
22 the manner and form required by the chief county assessment
23 officer.

24 The assessor or chief county assessment officer may
25 determine the eligibility of residential property to receive
26 the homestead exemption provided by this Section by
27 application, visual inspection, questionnaire or other
28 reasonable methods. The determination shall be made in
29 accordance with guidelines established by the Department.

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

34 In counties with 3,000,000 or more inhabitants, if a

1 property has been granted a homestead exemption under this
2 Section, the person qualifying need not reapply for the
3 exemption.

4 In counties with less than 3,000,000 inhabitants, if the
5 assessor or chief county assessment officer requires annual
6 application for verification of eligibility for an exemption
7 once granted under this Section, the application shall be
8 mailed to the taxpayer.

9 The assessor or chief county assessment officer shall
10 notify each person who qualifies for an exemption under this
11 Section that the person may also qualify for deferral of real
12 estate taxes under the Senior Citizens Real Estate Tax
13 Deferral Act. The notice shall set forth the qualifications
14 needed for deferral of real estate taxes, the address and
15 telephone number of county collector, and a statement that
16 applications for deferral of real estate taxes may be
17 obtained from the county collector.

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

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

22 (35 ILCS 200/15-175)

23 Sec. 15-175. General homestead exemption. Except as
24 provided in Section 15-176, homestead property is entitled to
25 an annual homestead exemption limited, except as described
26 here with relation to cooperatives, to a reduction in the
27 equalized assessed value of homestead property equal to the
28 increase in equalized assessed value for the current
29 assessment year above the equalized assessed value of the
30 property for 1977, up to the maximum reduction set forth
31 below. If however, the 1977 equalized assessed value upon
32 which taxes were paid is subsequently determined by local
33 assessing officials, the Property Tax Appeal Board, or a

1 court to have been excessive, the equalized assessed value
2 which should have been placed on the property for 1977 shall
3 be used to determine the amount of the exemption.

4 Except as provided in Section 15-176, the maximum
5 reduction shall be \$4,500 in counties with 3,000,000 or more
6 inhabitants and \$3,500 in all other counties.

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

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

30 "Homestead property" under this Section includes
31 residential property that is occupied by its owner or owners
32 as his or their principal dwelling place, or that is a
33 leasehold interest on which a single family residence is
34 situated, which is occupied as a residence by a person who

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

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

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

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

34 In counties with fewer than 3,000,000 inhabitants, in the

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

7 (Source: P.A. 90-368, eff. 1-1-98; 90-552, eff. 12-12-97;
 8 90-655, eff. 7-30-98; 91-346, eff. 7-29-99.)

9 (35 ILCS 200/15-176 new)

10 Sec. 15-176. General homestead exemption in counties
 11 with 3,000,000 or more inhabitants.

12 (a) In counties with 3,000,000 or more inhabitants,
 13 beginning with assessments made for the tax year 2003 and for
 14 subsequent tax years, homestead property is entitled to an
 15 annual homestead exemption equal to a reduction in the
 16 property's equalized assessed value calculated as provided in
 17 this Section.

18 (b) As used in this Section:

19 (1) "Assessor" means the elected county assessor.

20 (2) "Adjusted homestead value" means the lesser of
 21 the following values:

22 (A) The property's base homestead value
 23 increased by 7% for each tax year after 2002 through
 24 and including the current tax year.

25 (B) The property's equalized assessed value
 26 for the current tax year minus \$4,500.

27 (3) "Base homestead value" means:

28 (A) The equalized assessed value of the
 29 property for tax year 2002 prior to exemptions,
 30 minus \$4,500, provided that it was assessed for that
 31 year as residential property qualified for any of
 32 the homestead exemptions under Sections 15-170
 33 through 15-175 of this Code, then in force, and

1 further provided that the property's assessment was
2 not based on a reduced assessed value resulting from
3 a temporary irregularity in the property for that
4 year.

5 (B) If the property did not have a residential
6 equalized assessed value for tax year 2002 as
7 provided in subdivision (b)(3)(A) of this Section,
8 then the "base homestead value" means the base
9 homestead value established by the assessor under
10 subsection (c).

11 (4) "Current tax year" means the tax year for which
12 the exemption under this Section is being applied.

13 (5) "Equalized assessed value" means the property's
14 assessed value as equalized by the Department.

15 (6) "Homestead" or "homestead property" means:

16 (A) Residential property that as of January 1
17 of the tax year is occupied by its owner or owners
18 as his, her, or their principal dwelling place, or
19 that is a leasehold interest on which a single
20 family residence is situated, that is occupied as a
21 residence by a person who has a legal or equitable
22 interest therein evidenced by a written instrument,
23 as an owner or as a lessee, and on which the person
24 is liable for the payment of property taxes.
25 Residential units in an apartment building owned and
26 operated as a cooperative, or as a life care
27 facility, which are occupied by persons who hold a
28 legal or equitable interest in the cooperative
29 apartment building or life care facility as owners
30 or lessees, and who are liable by contract for the
31 payment of property taxes, shall be included within
32 this definition of homestead property. Residential
33 property containing 6 or fewer dwelling units shall
34 also be included in this definition of homestead

1 property provided that at least one such unit is
2 occupied by the property's owner or owners as his,
3 her, or their principal dwelling place.

4 (B) A homestead includes the dwelling place,
5 appurtenant structures, and so much of the
6 surrounding land constituting the parcel on which
7 the dwelling place is situated as is used for
8 residential purposes. If the assessor has
9 established a specific legal description for a
10 portion of property constituting the homestead, then
11 the homestead shall be limited to the property
12 within that description.

13 (7) "Life care facility" means a facility as
14 defined in Section 2 of the Life Care Facilities Act.

15 (c) If the property did not have a residential equalized
16 assessed value for tax year 2002 as provided in subdivision
17 (b)(3)(A) of this Section, then the assessor shall first
18 determine an initial value for the property by comparison
19 with assessed values for tax year 2002 of other properties
20 having physical and economic characteristics similar to those
21 of the subject property, so that the initial value is uniform
22 in relation to assessed values of those other properties for
23 tax year 2002. The product of the initial value multiplied by
24 2.4689, less \$4,500, is the base homestead value.

25 For any tax year for which the assessor determines or
26 adjusts an initial value and hence a base homestead value
27 under this subsection (c), the initial value shall be subject
28 to review by the same procedures applicable to assessed
29 values established under this Code for that tax year.

30 (d) The base homestead value shall remain constant,
31 except that the assessor may revise it under the following
32 circumstances:

33 (1) If the equalized assessed value of a homestead
34 property for the current tax year is less than the

1 previous base homestead value for that property, then the
2 current equalized assessed value (provided it is not
3 based on a reduced assessed value resulting from a
4 temporary irregularity in the property) shall become the
5 base homestead value in subsequent tax years.

6 (2) For any year in which new buildings,
7 structures, or other improvements are constructed on the
8 homestead property that would increase its assessed
9 value, the assessor shall adjust the base homestead value
10 as provided in subsection (c) of this Section with due
11 regard to the value added by the new improvements.

12 (e) The amount of the exemption under this Section is
13 the equalized assessed value of the homestead property for
14 the current tax year, minus the adjusted homestead value.
15 Provided, however, that in the case of homestead property
16 that also qualifies for the exemption under Section 15-172,
17 the property is also entitled to the exemption under this
18 Section, limited to the amount of \$4,500.

19 (f) In the case of an apartment building owned and
20 operated as a cooperative, or as a life care facility, that
21 contains residential units that qualify as homestead property
22 under this Section, the maximum cumulative exemption amount
23 attributed to the entire building or facility shall not
24 exceed the sum of the exemptions calculated for each
25 qualified residential unit. The cooperative association,
26 management firm, or other person or entity that manages or
27 controls the cooperative apartment building or life care
28 facility shall credit the exemption attributable to each
29 residential unit only to the apportioned tax liability of the
30 owner or other person responsible for payment of taxes as to
31 that unit. Any person who willfully refuses to so credit the
32 exemption is guilty of a Class B misdemeanor.

33 (g) When married persons maintain separate residences,
34 the exemption provided under this Section shall be claimed by

1 only one such person and for only one residence.

2 (h) In the event of a sale of the homestead property,
3 the exemption under this Section shall remain in effect for
4 the remainder of the tax year in which the sale occurs. The
5 assessor may require the new owner of the property to apply
6 for the exemption in the following year.

7 (i) The assessor may determine whether property
8 qualifies as a homestead under this Section by application,
9 visual inspection, questionnaire, or other reasonable
10 methods. Each year, at the time the assessment books are
11 certified to the county clerk by the board of review, the
12 assessor shall furnish to the county clerk a list of the
13 properties qualified for the homestead exemption under this
14 Section. The list shall note the base homestead value of each
15 property to be used in the calculation of the exemption for
16 the current tax year.

17 (j) The provisions of this Section apply as follows:

18 (1) If the general assessment year for the property
19 is 2003, this Section applies for assessment years 2003,
20 2004, 2005, 2006, 2007, 2008, 2009, and 2010. Thereafter,
21 the provisions of Section 15-175 apply.

22 (2) If the general assessment year for the property
23 is 2004, this Section applies for assessment years 2004,
24 2005, 2006, 2007, 2008, 2009, and 2010. Thereafter, the
25 provisions of Section 15-175 apply.

26 (3) If the general assessment year for the property
27 is 2005, this Section applies for assessment years 2005,
28 2006, 2007, 2008, 2009, and 2010. Thereafter, the
29 provisions of Section 15-175 apply.

30 (k) Notwithstanding Sections 6 and 8 of the State
31 Mandates Act, no reimbursement by the State is required for
32 the implementation of any mandate created by this Section.

1 Sec. 20-178. Certificate of error; refund; interest.
2 When the county collector makes any refunds due on
3 certificates of error issued under Sections 14-15 through
4 14-25 that have been either certified or adjudicated, the
5 county collector shall pay the taxpayer interest on the
6 amount of the refund at the rate of 0.5% per month.

7 No interest shall be due under this Section for any time
8 prior to 60 days after the effective date of this amendatory
9 Act of the 91st General Assembly. For certificates of error
10 issued prior to the effective date of this amendatory Act of
11 the 91st General Assembly, the county collector shall pay the
12 taxpayer interest from 60 days after the effective date of
13 this amendatory Act of the 91st General Assembly until the
14 date the refund is paid. For certificates of error issued on
15 or after the effective date of this amendatory Act of the
16 91st General Assembly, interest shall be paid from 60 days
17 after the certificate of error is issued by the chief county
18 assessment officer to the date the refund is made. To cover
19 the cost of interest, the county collector shall
20 proportionately reduce the distribution of taxes collected
21 for each taxing district in which the property is situated.

22 This Section shall not apply to any certificate of error
23 granting a homestead exemption under Section 15-170, 15-172,
24 ~~or 15-175,~~ or 15-176.

25 (Source: P.A. 91-393, eff. 7-30-99.)

26 Section 15. The County Economic Development Project Area
27 Property Tax Allocation Act is amended by changing Section 6
28 as follows:

29 (55 ILCS 85/6) (from Ch. 34, par. 7006)

30 Sec. 6. Filing with county clerk; certification of
31 initial equalized assessed value.

32 (a) The county shall file a certified copy of any

1 ordinance authorizing property tax allocation financing for
2 an economic development project area with the county clerk,
3 and the county clerk shall immediately thereafter determine
4 (1) the most recently ascertained equalized assessed value of
5 each lot, block, tract or parcel of real property within the
6 economic development project area from which shall be
7 deducted the homestead exemptions provided by Sections
8 15-170, and 15-175, and 15-176 of the Property Tax Code,
9 which value shall be the "initial equalized assessed value"
10 of each such piece of property, and (2) the total equalized
11 assessed value of all taxable real property within the
12 economic development project area by adding together the most
13 recently ascertained equalized assessed value of each taxable
14 lot, block, tract, or parcel of real property within such
15 economic development project area, from which shall be
16 deducted the homestead exemptions provided by Sections
17 15-170, and 15-175, and 15-176 of the Property Tax Code. Upon
18 receiving written notice from the Department of its approval
19 and certification of such economic development project area,
20 the county clerk shall immediately certify such amount as the
21 "total initial equalized assessed value" of the taxable
22 property within the economic development project area.

23 (b) After the county clerk has certified the "total
24 initial equalized assessed value" of the taxable real
25 property in the economic development project area, then in
26 respect to every taxing district containing an economic
27 development project area, the county clerk or any other
28 official required by law to ascertain the amount of the
29 equalized assessed value of all taxable property within that
30 taxing district for the purpose of computing the rate percent
31 of tax to be extended upon taxable property within the taxing
32 district, shall in every year that property tax allocation
33 financing is in effect ascertain the amount of value of
34 taxable property in an economic development project area by

1 including in that amount the lower of the current equalized
2 assessed value or the certified "total initial equalized
3 assessed value" of all taxable real property in such area.
4 The rate percent of tax determined shall be extended to the
5 current equalized assessed value of all property in the
6 economic development project area in the same manner as the
7 rate percent of tax is extended to all other taxable property
8 in the taxing district. The method of allocating taxes
9 established under this Section shall terminate when the
10 county adopts an ordinance dissolving the special tax
11 allocation fund for the economic development project area.
12 This Act shall not be construed as relieving property owners
13 within an economic development project area from paying a
14 uniform rate of taxes upon the current equalized assessed
15 value of their taxable property as provided in the Property
16 Tax Code.

17 (Source: P.A. 88-670, eff. 12-2-94.)

18 Section 20. The County Economic Development Project Area
19 Tax Increment Allocation Act of 1991 is amended by changing
20 Section 45 as follows:

21 (55 ILCS 90/45) (from Ch. 34, par. 8045)

22 Sec. 45. Filing with county clerk; certification of
23 initial equalized assessed value.

24 (a) A county that has by ordinance approved an economic
25 development plan, established an economic development project
26 area, and adopted tax increment allocation financing for that
27 area shall file certified copies of the ordinance or
28 ordinances with the county clerk. Upon receiving the
29 ordinance or ordinances, the county clerk shall immediately
30 determine (i) the most recently ascertained equalized
31 assessed value of each lot, block, tract, or parcel of real
32 property within the economic development project area from

1 which shall be deducted the homestead exemptions provided by
2 Sections 15-170, and 15-175, and 15-176 of the Property Tax
3 Code (that value being the "initial equalized assessed value"
4 of each such piece of property) and (ii) the total equalized
5 assessed value of all taxable real property within the
6 economic development project area by adding together the most
7 recently ascertained equalized assessed value of each taxable
8 lot, block, tract, or parcel of real property within the
9 economic development project area, from which shall be
10 deducted the homestead exemptions provided by Sections 15-170
11 and 15-175 of the Property Tax Code, and shall certify that
12 amount as the "total initial equalized assessed value" of the
13 taxable real property within the economic development project
14 area.

15 (b) After the county clerk has certified the "total
16 initial equalized assessed value" of the taxable real
17 property in the economic development project area, then in
18 respect to every taxing district containing an economic
19 development project area, the county clerk or any other
20 official required by law to ascertain the amount of the
21 equalized assessed value of all taxable property within the
22 taxing district for the purpose of computing the rate per
23 cent of tax to be extended upon taxable property within the
24 taxing district shall, in every year that tax increment
25 allocation financing is in effect, ascertain the amount of
26 value of taxable property in an economic development project
27 area by including in that amount the lower of the current
28 equalized assessed value or the certified "total initial
29 equalized assessed value" of all taxable real property in the
30 area. The rate per cent of tax determined shall be extended
31 to the current equalized assessed value of all property in
32 the economic development project area in the same manner as
33 the rate per cent of tax is extended to all other taxable
34 property in the taxing district. The method of extending

1 taxes established under this Section shall terminate when the
2 county adopts an ordinance dissolving the special tax
3 allocation fund for the economic development project area.
4 This Act shall not be construed as relieving property owners
5 within an economic development project area from paying a
6 uniform rate of taxes upon the current equalized assessed
7 value of their taxable property as provided in the Property
8 Tax Code.

9 (Source: P.A. 87-1; 88-670, eff. 12-2-94.)

10 Section 25. The Illinois Municipal Code is amended by
11 changing Sections 11-74.4-8, 11-74.4-9, and 11-74.6-40 as
12 follows:

13 (65 ILCS 5/11-74.4-8) (from Ch. 24, par. 11-74.4-8)

14 Sec. 11-74.4-8. Tax increment allocation financing. A
15 municipality may not adopt tax increment financing in a
16 redevelopment project area after the effective date of this
17 amendatory Act of 1997 that will encompass an area that is
18 currently included in an enterprise zone created under the
19 Illinois Enterprise Zone Act unless that municipality,
20 pursuant to Section 5.4 of the Illinois Enterprise Zone Act,
21 amends the enterprise zone designating ordinance to limit the
22 eligibility for tax abatements as provided in Section 5.4.1
23 of the Illinois Enterprise Zone Act. A municipality, at the
24 time a redevelopment project area is designated, may adopt
25 tax increment allocation financing by passing an ordinance
26 providing that the ad valorem taxes, if any, arising from the
27 levies upon taxable real property in such redevelopment
28 project area by taxing districts and tax rates determined in
29 the manner provided in paragraph (c) of Section 11-74.4-9
30 each year after the effective date of the ordinance until
31 redevelopment project costs and all municipal obligations
32 financing redevelopment project costs incurred under this

1 Division have been paid shall be divided as follows:

2 (a) That portion of taxes levied upon each taxable lot,
3 block, tract or parcel of real property which is attributable
4 to the lower of the current equalized assessed value or the
5 initial equalized assessed value of each such taxable lot,
6 block, tract or parcel of real property in the redevelopment
7 project area shall be allocated to and when collected shall
8 be paid by the county collector to the respective affected
9 taxing districts in the manner required by law in the absence
10 of the adoption of tax increment allocation financing.

11 (b) Except from a tax levied by a township to retire
12 bonds issued to satisfy court-ordered damages, that portion,
13 if any, of such taxes which is attributable to the increase
14 in the current equalized assessed valuation of each taxable
15 lot, block, tract or parcel of real property in the
16 redevelopment project area over and above the initial
17 equalized assessed value of each property in the project area
18 shall be allocated to and when collected shall be paid to the
19 municipal treasurer who shall deposit said taxes into a
20 special fund called the special tax allocation fund of the
21 municipality for the purpose of paying redevelopment project
22 costs and obligations incurred in the payment thereof. In any
23 county with a population of 3,000,000 or more that has
24 adopted a procedure for collecting taxes that provides for
25 one or more of the installments of the taxes to be billed and
26 collected on an estimated basis, the municipal treasurer
27 shall be paid for deposit in the special tax allocation fund
28 of the municipality, from the taxes collected from estimated
29 bills issued for property in the redevelopment project area,
30 the difference between the amount actually collected from
31 each taxable lot, block, tract, or parcel of real property
32 within the redevelopment project area and an amount
33 determined by multiplying the rate at which taxes were last
34 extended against the taxable lot, block, track, or parcel of

1 real property in the manner provided in subsection (c) of
2 Section 11-74.4-9 by the initial equalized assessed value of
3 the property divided by the number of installments in which
4 real estate taxes are billed and collected within the county;
5 provided that the payments on or before December 31, 1999 to
6 a municipal treasurer shall be made only if each of the
7 following conditions are met:

8 (1) The total equalized assessed value of the
9 redevelopment project area as last determined was not
10 less than 175% of the total initial equalized assessed
11 value.

12 (2) Not more than 50% of the total equalized
13 assessed value of the redevelopment project area as last
14 determined is attributable to a piece of property
15 assigned a single real estate index number.

16 (3) The municipal clerk has certified to the county
17 clerk that the municipality has issued its obligations to
18 which there has been pledged the incremental property
19 taxes of the redevelopment project area or taxes levied
20 and collected on any or all property in the municipality
21 or the full faith and credit of the municipality to pay
22 or secure payment for all or a portion of the
23 redevelopment project costs. The certification shall be
24 filed annually no later than September 1 for the
25 estimated taxes to be distributed in the following year;
26 however, for the year 1992 the certification shall be
27 made at any time on or before March 31, 1992.

28 (4) The municipality has not requested that the
29 total initial equalized assessed value of real property
30 be adjusted as provided in subsection (b) of Section
31 11-74.4-9.

32 The conditions of paragraphs (1) through (4) do not apply
33 after December 31, 1999 to payments to a municipal treasurer
34 made by a county with 3,000,000 or more inhabitants that has

1 adopted an estimated billing procedure for collecting taxes.
2 If a county that has adopted the estimated billing procedure
3 makes an erroneous overpayment of tax revenue to the
4 municipal treasurer, then the county may seek a refund of
5 that overpayment. The county shall send the municipal
6 treasurer a notice of liability for the overpayment on or
7 before the mailing date of the next real estate tax bill
8 within the county. The refund shall be limited to the amount
9 of the overpayment.

10 It is the intent of this Division that after the
11 effective date of this amendatory Act of 1988 a
12 municipality's own ad valorem tax arising from levies on
13 taxable real property be included in the determination of
14 incremental revenue in the manner provided in paragraph (c)
15 of Section 11-74.4-9. If the municipality does not extend
16 such a tax, it shall annually deposit in the municipality's
17 Special Tax Increment Fund an amount equal to 10% of the
18 total contributions to the fund from all other taxing
19 districts in that year. The annual 10% deposit required by
20 this paragraph shall be limited to the actual amount of
21 municipally produced incremental tax revenues available to
22 the municipality from taxpayers located in the redevelopment
23 project area in that year if: (a) the plan for the area
24 restricts the use of the property primarily to industrial
25 purposes, (b) the municipality establishing the redevelopment
26 project area is a home-rule community with a 1990 population
27 of between 25,000 and 50,000, (c) the municipality is wholly
28 located within a county with a 1990 population of over
29 750,000 and (d) the redevelopment project area was
30 established by the municipality prior to June 1, 1990. This
31 payment shall be in lieu of a contribution of ad valorem
32 taxes on real property. If no such payment is made, any
33 redevelopment project area of the municipality shall be
34 dissolved.

1 If a municipality has adopted tax increment allocation
2 financing by ordinance and the County Clerk thereafter
3 certifies the "total initial equalized assessed value as
4 adjusted" of the taxable real property within such
5 redevelopment project area in the manner provided in
6 paragraph (b) of Section 11-74.4-9, each year after the date
7 of the certification of the total initial equalized assessed
8 value as adjusted until redevelopment project costs and all
9 municipal obligations financing redevelopment project costs
10 have been paid the ad valorem taxes, if any, arising from the
11 levies upon the taxable real property in such redevelopment
12 project area by taxing districts and tax rates determined in
13 the manner provided in paragraph (c) of Section 11-74.4-9
14 shall be divided as follows:

15 (1) That portion of the taxes levied upon each
16 taxable lot, block, tract or parcel of real property
17 which is attributable to the lower of the current
18 equalized assessed value or "current equalized assessed
19 value as adjusted" or the initial equalized assessed
20 value of each such taxable lot, block, tract, or parcel
21 of real property existing at the time tax increment
22 financing was adopted, minus the total current homestead
23 exemptions provided by Sections 15-170, and 15-175, and
24 15-176 of the Property Tax Code in the redevelopment
25 project area shall be allocated to and when collected
26 shall be paid by the county collector to the respective
27 affected taxing districts in the manner required by law
28 in the absence of the adoption of tax increment
29 allocation financing.

30 (2) That portion, if any, of such taxes which is
31 attributable to the increase in the current equalized
32 assessed valuation of each taxable lot, block, tract, or
33 parcel of real property in the redevelopment project
34 area, over and above the initial equalized assessed value

1 of each property existing at the time tax increment
2 financing was adopted, minus the total current homestead
3 exemptions pertaining to each piece of property provided
4 by Sections 15-170, and 15-175, and 15-176 of the
5 Property Tax Code in the redevelopment project area,
6 shall be allocated to and when collected shall be paid to
7 the municipal Treasurer, who shall deposit said taxes
8 into a special fund called the special tax allocation
9 fund of the municipality for the purpose of paying
10 redevelopment project costs and obligations incurred in
11 the payment thereof.

12 The municipality may pledge in the ordinance the funds in
13 and to be deposited in the special tax allocation fund for
14 the payment of such costs and obligations. No part of the
15 current equalized assessed valuation of each property in the
16 redevelopment project area attributable to any increase above
17 the total initial equalized assessed value, or the total
18 initial equalized assessed value as adjusted, of such
19 properties shall be used in calculating the general State
20 school aid formula, provided for in Section 18-8 of the
21 School Code, until such time as all redevelopment project
22 costs have been paid as provided for in this Section.

23 Whenever a municipality issues bonds for the purpose of
24 financing redevelopment project costs, such municipality may
25 provide by ordinance for the appointment of a trustee, which
26 may be any trust company within the State, and for the
27 establishment of such funds or accounts to be maintained by
28 such trustee as the municipality shall deem necessary to
29 provide for the security and payment of the bonds. If such
30 municipality provides for the appointment of a trustee, such
31 trustee shall be considered the assignee of any payments
32 assigned by the municipality pursuant to such ordinance and
33 this Section. Any amounts paid to such trustee as assignee
34 shall be deposited in the funds or accounts established

1 pursuant to such trust agreement, and shall be held by such
2 trustee in trust for the benefit of the holders of the bonds,
3 and such holders shall have a lien on and a security interest
4 in such funds or accounts so long as the bonds remain
5 outstanding and unpaid. Upon retirement of the bonds, the
6 trustee shall pay over any excess amounts held to the
7 municipality for deposit in the special tax allocation fund.

8 When such redevelopment projects costs, including without
9 limitation all municipal obligations financing redevelopment
10 project costs incurred under this Division, have been paid,
11 all surplus funds then remaining in the special tax
12 allocation fund shall be distributed by being paid by the
13 municipal treasurer to the Department of Revenue, the
14 municipality and the county collector; first to the
15 Department of Revenue and the municipality in direct
16 proportion to the tax incremental revenue received from the
17 State and the municipality, but not to exceed the total
18 incremental revenue received from the State or the
19 municipality less any annual surplus distribution of
20 incremental revenue previously made; with any remaining funds
21 to be paid to the County Collector who shall immediately
22 thereafter pay said funds to the taxing districts in the
23 redevelopment project area in the same manner and proportion
24 as the most recent distribution by the county collector to
25 the affected districts of real property taxes from real
26 property in the redevelopment project area.

27 Upon the payment of all redevelopment project costs, the
28 retirement of obligations, the distribution of any excess
29 monies pursuant to this Section, and final closing of the
30 books and records of the redevelopment project area, the
31 municipality shall adopt an ordinance dissolving the special
32 tax allocation fund for the redevelopment project area and
33 terminating the designation of the redevelopment project area
34 as a redevelopment project area. Title to real or personal

1 property and public improvements acquired by or for the
 2 municipality as a result of the redevelopment project and
 3 plan shall vest in the municipality when acquired and shall
 4 continue to be held by the municipality after the
 5 redevelopment project area has been terminated.
 6 Municipalities shall notify affected taxing districts prior
 7 to November 1 if the redevelopment project area is to be
 8 terminated by December 31 of that same year. If a
 9 municipality extends estimated dates of completion of a
 10 redevelopment project and retirement of obligations to
 11 finance a redevelopment project, as allowed by this
 12 amendatory Act of 1993, that extension shall not extend the
 13 property tax increment allocation financing authorized by
 14 this Section. Thereafter the rates of the taxing districts
 15 shall be extended and taxes levied, collected and distributed
 16 in the manner applicable in the absence of the adoption of
 17 tax increment allocation financing.

18 Nothing in this Section shall be construed as relieving
 19 property in such redevelopment project areas from being
 20 assessed as provided in the Property Tax Code or as relieving
 21 owners of such property from paying a uniform rate of taxes,
 22 as required by Section 4 of Article 9 of the Illinois
 23 Constitution.

24 (Source: P.A. 92-16, eff. 6-28-01; 93-298, eff. 7-23-03.)

25 (65 ILCS 5/11-74.4-9) (from Ch. 24, par. 11-74.4-9)
 26 Sec. 11-74.4-9. Equalized assessed value of property.

27 (a) If a municipality by ordinance provides for tax
 28 increment allocation financing pursuant to Section 11-74.4-8,
 29 the county clerk immediately thereafter shall determine (1)
 30 the most recently ascertained equalized assessed value of
 31 each lot, block, tract or parcel of real property within such
 32 redevelopment project area from which shall be deducted the
 33 homestead exemptions provided by Sections 15-170₁ and 15-175₁

1 and 15-176 of the Property Tax Code, which value shall be the
2 "initial equalized assessed value" of each such piece of
3 property, and (2) the total equalized assessed value of all
4 taxable real property within such redevelopment project area
5 by adding together the most recently ascertained equalized
6 assessed value of each taxable lot, block, tract, or parcel
7 of real property within such project area, from which shall
8 be deducted the homestead exemptions provided by Sections
9 15-170, and 15-175, and 15-176 of the Property Tax Code, and
10 shall certify such amount as the "total initial equalized
11 assessed value" of the taxable real property within such
12 project area.

13 (b) In reference to any municipality which has adopted
14 tax increment financing after January 1, 1978, and in respect
15 to which the county clerk has certified the "total initial
16 equalized assessed value" of the property in the
17 redevelopment area, the municipality may thereafter request
18 the clerk in writing to adjust the initial equalized value of
19 all taxable real property within the redevelopment project
20 area by deducting therefrom the exemptions provided for by
21 Sections 15-170, and 15-175, and 15-176 of the Property Tax
22 Code applicable to each lot, block, tract or parcel of real
23 property within such redevelopment project area. The county
24 clerk shall immediately after the written request to adjust
25 the total initial equalized value is received determine the
26 total homestead exemptions in the redevelopment project area
27 provided by Sections 15-170, and 15-175, and 15-176 of the
28 Property Tax Code by adding together the homestead exemptions
29 provided by said Sections on each lot, block, tract or parcel
30 of real property within such redevelopment project area and
31 then shall deduct the total of said exemptions from the total
32 initial equalized assessed value. The county clerk shall
33 then promptly certify such amount as the "total initial
34 equalized assessed value as adjusted" of the taxable real

1 property within such redevelopment project area.

2 (c) After the county clerk has certified the "total
3 initial equalized assessed value" of the taxable real
4 property in such area, then in respect to every taxing
5 district containing a redevelopment project area, the county
6 clerk or any other official required by law to ascertain the
7 amount of the equalized assessed value of all taxable
8 property within such district for the purpose of computing
9 the rate per cent of tax to be extended upon taxable property
10 within such district, shall in every year that tax increment
11 allocation financing is in effect ascertain the amount of
12 value of taxable property in a redevelopment project area by
13 including in such amount the lower of the current equalized
14 assessed value or the certified "total initial equalized
15 assessed value" of all taxable real property in such area,
16 except that after he has certified the "total initial
17 equalized assessed value as adjusted" he shall in the year of
18 said certification if tax rates have not been extended and in
19 every year thereafter that tax increment allocation financing
20 is in effect ascertain the amount of value of taxable
21 property in a redevelopment project area by including in such
22 amount the lower of the current equalized assessed value or
23 the certified "total initial equalized assessed value as
24 adjusted" of all taxable real property in such area. The rate
25 per cent of tax determined shall be extended to the current
26 equalized assessed value of all property in the redevelopment
27 project area in the same manner as the rate per cent of tax
28 is extended to all other taxable property in the taxing
29 district. The method of extending taxes established under
30 this Section shall terminate when the municipality adopts an
31 ordinance dissolving the special tax allocation fund for the
32 redevelopment project area. This Division shall not be
33 construed as relieving property owners within a redevelopment
34 project area from paying a uniform rate of taxes upon the

1 current equalized assessed value of their taxable property as
2 provided in the Property Tax Code.

3 (Source: P.A. 88-670, eff. 12-2-94.)

4 (65 ILCS 5/11-74.6-40)

5 Sec. 11-74.6-40. Equalized assessed value determination;
6 property tax extension.

7 (a) If a municipality by ordinance provides for tax
8 increment allocation financing under Section 11-74.6-35, the
9 county clerk immediately thereafter:

10 (1) shall determine the initial equalized assessed
11 value of each parcel of real property in the
12 redevelopment project area, which is the most recently
13 established equalized assessed value of each lot, block,
14 tract or parcel of taxable real property within the
15 redevelopment project area, minus the homestead
16 exemptions provided by Sections 15-170, and 15-175, and
17 15-176 of the Property Tax Code; and

18 (2) shall certify to the municipality the total
19 initial equalized assessed value of all taxable real
20 property within the redevelopment project area.

21 (b) Any municipality that has established a vacant
22 industrial buildings conservation area may, by ordinance
23 passed after the adoption of tax increment allocation
24 financing, provide that the county clerk immediately
25 thereafter shall again determine:

26 (1) the updated initial equalized assessed value of
27 each lot, block, tract or parcel of real property, which
28 is the most recently ascertained equalized assessed value
29 of each lot, block, tract or parcel of real property
30 within the vacant industrial buildings conservation area;
31 and

32 (2) the total updated initial equalized assessed
33 value of all taxable real property within the

1 redevelopment project area, which is the total of the
2 updated initial equalized assessed value of all taxable
3 real property within the vacant industrial buildings
4 conservation area.

5 The county clerk shall certify to the municipality the
6 total updated initial equalized assessed value of all taxable
7 real property within the industrial buildings conservation
8 area.

9 (c) After the county clerk has certified the total
10 initial equalized assessed value or the total updated initial
11 equalized assessed value of the taxable real property in the
12 area, for each taxing district in which a redevelopment
13 project area is situated, the county clerk or any other
14 official required by law to determine the amount of the
15 equalized assessed value of all taxable property within the
16 district for the purpose of computing the percentage rate of
17 tax to be extended upon taxable property within the district,
18 shall in every year that tax increment allocation financing
19 is in effect determine the total equalized assessed value of
20 taxable property in a redevelopment project area by including
21 in that amount the lower of the current equalized assessed
22 value or the certified total initial equalized assessed value
23 or, if the total of updated equalized assessed value has been
24 certified, the total updated initial equalized assessed value
25 of all taxable real property in the redevelopment project
26 area. After he has certified the total initial equalized
27 assessed value he shall in the year of that certification, if
28 tax rates have not been extended, and in every subsequent
29 year that tax increment allocation financing is in effect,
30 determine the amount of equalized assessed value of taxable
31 property in a redevelopment project area by including in that
32 amount the lower of the current total equalized assessed
33 value or the certified total initial equalized assessed value
34 or, if the total of updated initial equalized assessed values

1 have been certified, the total updated initial equalized
2 assessed value of all taxable real property in the
3 redevelopment project area.

4 (d) The percentage rate of tax determined shall be
5 extended on the current equalized assessed value of all
6 property in the redevelopment project area in the same manner
7 as the rate per cent of tax is extended to all other taxable
8 property in the taxing district. The method of extending
9 taxes established under this Section shall terminate when the
10 municipality adopts an ordinance dissolving the special tax
11 allocation fund for the redevelopment project area. This Law
12 shall not be construed as relieving property owners within a
13 redevelopment project area from paying a uniform rate of
14 taxes upon the current equalized assessed value of their
15 taxable property as provided in the Property Tax Code.

16 (Source: P.A. 88-537; 88-670, eff. 12-2-94.)

17 Section 30. The Economic Development Project Area Tax
18 Increment Allocation Act of 1995 is amended by changing
19 Section 45 as follows:

20 (65 ILCS 110/45)

21 Sec. 45. Filing with county clerk; certification of
22 initial equalized assessed value.

23 (a) A municipality that has by ordinance approved an
24 economic development plan, established an economic
25 development project area, and adopted tax increment
26 allocation financing for that area shall file certified
27 copies of the ordinance or ordinances with the county clerk.
28 Upon receiving the ordinance or ordinances, the county clerk
29 shall immediately determine (i) the most recently ascertained
30 equalized assessed value of each lot, block, tract, or parcel
31 of real property within the economic development project area
32 from which shall be deducted the homestead exemptions

1 provided by Sections 15-170, and 15-175, and 15-176 of the
2 Property Tax Code (that value being the "initial equalized
3 assessed value" of each such piece of property) and (ii) the
4 total equalized assessed value of all taxable real property
5 within the economic development project area by adding
6 together the most recently ascertained equalized assessed
7 value of each taxable lot, block, tract, or parcel of real
8 property within the economic development project area, from
9 which shall be deducted the homestead exemptions provided by
10 Sections 15-170, and 15-175, and 15-176 of the Property Tax
11 Code, and shall certify that amount as the "total initial
12 equalized assessed value" of the taxable real property within
13 the economic development project area.

14 (b) After the county clerk has certified the "total
15 initial equalized assessed value" of the taxable real
16 property in the economic development project area, then in
17 respect to every taxing district containing an economic
18 development project area, the county clerk or any other
19 official required by law to ascertain the amount of the
20 equalized assessed value of all taxable property within the
21 taxing district for the purpose of computing the rate per
22 cent of tax to be extended upon taxable property within the
23 taxing district shall, in every year that tax increment
24 allocation financing is in effect, ascertain the amount of
25 value of taxable property in an economic development project
26 area by including in that amount the lower of the current
27 equalized assessed value or the certified "total initial
28 equalized assessed value" of all taxable real property in the
29 area. The rate per cent of tax determined shall be extended
30 to the current equalized assessed value of all property in
31 the economic development project area in the same manner as
32 the rate per cent of tax is extended to all other taxable
33 property in the taxing district. The method of extending
34 taxes established under this Section shall terminate when the

1 municipality adopts an ordinance dissolving the special tax
2 allocation fund for the economic development project area.
3 This Act shall not be construed as relieving owners or
4 lessees of property within an economic development project
5 area from paying a uniform rate of taxes upon the current
6 equalized assessed value of their taxable property as
7 provided in the Property Tax Code.
8 (Source: P.A. 89-176, eff. 1-1-96.)

9 Section 35. The School Code is amended by changing
10 Section 18-8.05 as follows:

11 (105 ILCS 5/18-8.05)

12 Sec. 18-8.05. Basis for apportionment of general State
13 financial aid and supplemental general State aid to the
14 common schools for the 1998-1999 and subsequent school years.

15 (A) General Provisions.

16 (1) The provisions of this Section apply to the
17 1998-1999 and subsequent school years. The system of general
18 State financial aid provided for in this Section is designed
19 to assure that, through a combination of State financial aid
20 and required local resources, the financial support provided
21 each pupil in Average Daily Attendance equals or exceeds a
22 prescribed per pupil Foundation Level. This formula approach
23 imputes a level of per pupil Available Local Resources and
24 provides for the basis to calculate a per pupil level of
25 general State financial aid that, when added to Available
26 Local Resources, equals or exceeds the Foundation Level. The
27 amount of per pupil general State financial aid for school
28 districts, in general, varies in inverse relation to
29 Available Local Resources. Per pupil amounts are based upon
30 each school district's Average Daily Attendance as that term
31 is defined in this Section.

32 (2) In addition to general State financial aid, school

1 districts with specified levels or concentrations of pupils
2 from low income households are eligible to receive
3 supplemental general State financial aid grants as provided
4 pursuant to subsection (H). The supplemental State aid grants
5 provided for school districts under subsection (H) shall be
6 appropriated for distribution to school districts as part of
7 the same line item in which the general State financial aid
8 of school districts is appropriated under this Section.

9 (3) To receive financial assistance under this Section,
10 school districts are required to file claims with the State
11 Board of Education, subject to the following requirements:

12 (a) Any school district which fails for any given
13 school year to maintain school as required by law, or to
14 maintain a recognized school is not eligible to file for
15 such school year any claim upon the Common School Fund.
16 In case of nonrecognition of one or more attendance
17 centers in a school district otherwise operating
18 recognized schools, the claim of the district shall be
19 reduced in the proportion which the Average Daily
20 Attendance in the attendance center or centers bear to
21 the Average Daily Attendance in the school district. A
22 "recognized school" means any public school which meets
23 the standards as established for recognition by the State
24 Board of Education. A school district or attendance
25 center not having recognition status at the end of a
26 school term is entitled to receive State aid payments due
27 upon a legal claim which was filed while it was
28 recognized.

29 (b) School district claims filed under this Section
30 are subject to Sections 18-9, 18-10, and 18-12, except as
31 otherwise provided in this Section.

32 (c) If a school district operates a full year
33 school under Section 10-19.1, the general State aid to
34 the school district shall be determined by the State

1 Board of Education in accordance with this Section as
2 near as may be applicable.

3 (d) (Blank).

4 (4) Except as provided in subsections (H) and (L), the
5 board of any district receiving any of the grants provided
6 for in this Section may apply those funds to any fund so
7 received for which that board is authorized to make
8 expenditures by law.

9 School districts are not required to exert a minimum
10 Operating Tax Rate in order to qualify for assistance under
11 this Section.

12 (5) As used in this Section the following terms, when
13 capitalized, shall have the meaning ascribed herein:

14 (a) "Average Daily Attendance": A count of pupil
15 attendance in school, averaged as provided for in
16 subsection (C) and utilized in deriving per pupil
17 financial support levels.

18 (b) "Available Local Resources": A computation of
19 local financial support, calculated on the basis of
20 Average Daily Attendance and derived as provided pursuant
21 to subsection (D).

22 (c) "Corporate Personal Property Replacement
23 Taxes": Funds paid to local school districts pursuant to
24 "An Act in relation to the abolition of ad valorem
25 personal property tax and the replacement of revenues
26 lost thereby, and amending and repealing certain Acts and
27 parts of Acts in connection therewith", certified August
28 14, 1979, as amended (Public Act 81-1st S.S.-1).

29 (d) "Foundation Level": A prescribed level of per
30 pupil financial support as provided for in subsection
31 (B).

32 (e) "Operating Tax Rate": All school district
33 property taxes extended for all purposes, except Bond and
34 Interest, Summer School, Rent, Capital Improvement, and

1 Vocational Education Building purposes.

2 (B) Foundation Level.

3 (1) The Foundation Level is a figure established by the
4 State representing the minimum level of per pupil financial
5 support that should be available to provide for the basic
6 education of each pupil in Average Daily Attendance. As set
7 forth in this Section, each school district is assumed to
8 exert a sufficient local taxing effort such that, in
9 combination with the aggregate of general State financial aid
10 provided the district, an aggregate of State and local
11 resources are available to meet the basic education needs of
12 pupils in the district.

13 (2) For the 1998-1999 school year, the Foundation Level
14 of support is \$4,225. For the 1999-2000 school year, the
15 Foundation Level of support is \$4,325. For the 2000-2001
16 school year, the Foundation Level of support is \$4,425.

17 (3) For the 2001-2002 school year and 2002-2003 school
18 year, the Foundation Level of support is \$4,560.

19 (4) For the 2003-2004 school year and each school year
20 thereafter, the Foundation Level of support is \$4,810 or such
21 greater amount as may be established by law by the General
22 Assembly.

23 (C) Average Daily Attendance.

24 (1) For purposes of calculating general State aid
25 pursuant to subsection (E), an Average Daily Attendance
26 figure shall be utilized. The Average Daily Attendance
27 figure for formula calculation purposes shall be the monthly
28 average of the actual number of pupils in attendance of each
29 school district, as further averaged for the best 3 months of
30 pupil attendance for each school district. In compiling the
31 figures for the number of pupils in attendance, school
32 districts and the State Board of Education shall, for
33 purposes of general State aid funding, conform attendance

1 figures to the requirements of subsection (F).

2 (2) The Average Daily Attendance figures utilized in
3 subsection (E) shall be the requisite attendance data for the
4 school year immediately preceding the school year for which
5 general State aid is being calculated or the average of the
6 attendance data for the 3 preceding school years, whichever
7 is greater. The Average Daily Attendance figures utilized in
8 subsection (H) shall be the requisite attendance data for the
9 school year immediately preceding the school year for which
10 general State aid is being calculated.

11 (D) Available Local Resources.

12 (1) For purposes of calculating general State aid
13 pursuant to subsection (E), a representation of Available
14 Local Resources per pupil, as that term is defined and
15 determined in this subsection, shall be utilized. Available
16 Local Resources per pupil shall include a calculated dollar
17 amount representing local school district revenues from local
18 property taxes and from Corporate Personal Property
19 Replacement Taxes, expressed on the basis of pupils in
20 Average Daily Attendance.

21 (2) In determining a school district's revenue from
22 local property taxes, the State Board of Education shall
23 utilize the equalized assessed valuation of all taxable
24 property of each school district as of September 30 of the
25 previous year. The equalized assessed valuation utilized
26 shall be obtained and determined as provided in subsection
27 (G).

28 (3) For school districts maintaining grades kindergarten
29 through 12, local property tax revenues per pupil shall be
30 calculated as the product of the applicable equalized
31 assessed valuation for the district multiplied by 3.00%, and
32 divided by the district's Average Daily Attendance figure.
33 For school districts maintaining grades kindergarten through
34 8, local property tax revenues per pupil shall be calculated

1 as the product of the applicable equalized assessed valuation
2 for the district multiplied by 2.30%, and divided by the
3 district's Average Daily Attendance figure. For school
4 districts maintaining grades 9 through 12, local property tax
5 revenues per pupil shall be the applicable equalized assessed
6 valuation of the district multiplied by 1.05%, and divided by
7 the district's Average Daily Attendance figure.

8 (4) The Corporate Personal Property Replacement Taxes
9 paid to each school district during the calendar year 2 years
10 before the calendar year in which a school year begins,
11 divided by the Average Daily Attendance figure for that
12 district, shall be added to the local property tax revenues
13 per pupil as derived by the application of the immediately
14 preceding paragraph (3). The sum of these per pupil figures
15 for each school district shall constitute Available Local
16 Resources as that term is utilized in subsection (E) in the
17 calculation of general State aid.

18 (E) Computation of General State Aid.

19 (1) For each school year, the amount of general State
20 aid allotted to a school district shall be computed by the
21 State Board of Education as provided in this subsection.

22 (2) For any school district for which Available Local
23 Resources per pupil is less than the product of 0.93 times
24 the Foundation Level, general State aid for that district
25 shall be calculated as an amount equal to the Foundation
26 Level minus Available Local Resources, multiplied by the
27 Average Daily Attendance of the school district.

28 (3) For any school district for which Available Local
29 Resources per pupil is equal to or greater than the product
30 of 0.93 times the Foundation Level and less than the product
31 of 1.75 times the Foundation Level, the general State aid per
32 pupil shall be a decimal proportion of the Foundation Level
33 derived using a linear algorithm. Under this linear
34 algorithm, the calculated general State aid per pupil shall

1 decline in direct linear fashion from 0.07 times the
2 Foundation Level for a school district with Available Local
3 Resources equal to the product of 0.93 times the Foundation
4 Level, to 0.05 times the Foundation Level for a school
5 district with Available Local Resources equal to the product
6 of 1.75 times the Foundation Level. The allocation of
7 general State aid for school districts subject to this
8 paragraph 3 shall be the calculated general State aid per
9 pupil figure multiplied by the Average Daily Attendance of
10 the school district.

11 (4) For any school district for which Available Local
12 Resources per pupil equals or exceeds the product of 1.75
13 times the Foundation Level, the general State aid for the
14 school district shall be calculated as the product of \$218
15 multiplied by the Average Daily Attendance of the school
16 district.

17 (5) The amount of general State aid allocated to a
18 school district for the 1999-2000 school year meeting the
19 requirements set forth in paragraph (4) of subsection (G)
20 shall be increased by an amount equal to the general State
21 aid that would have been received by the district for the
22 1998-1999 school year by utilizing the Extension Limitation
23 Equalized Assessed Valuation as calculated in paragraph (4)
24 of subsection (G) less the general State aid allotted for the
25 1998-1999 school year. This amount shall be deemed a one
26 time increase, and shall not affect any future general State
27 aid allocations.

28 (F) Compilation of Average Daily Attendance.

29 (1) Each school district shall, by July 1 of each year,
30 submit to the State Board of Education, on forms prescribed
31 by the State Board of Education, attendance figures for the
32 school year that began in the preceding calendar year. The
33 attendance information so transmitted shall identify the
34 average daily attendance figures for each month of the school

1 year. Beginning with the general State aid claim form for
2 the 2002-2003 school year, districts shall calculate Average
3 Daily Attendance as provided in subdivisions (a), (b), and
4 (c) of this paragraph (1).

5 (a) In districts that do not hold year-round
6 classes, days of attendance in August shall be added to
7 the month of September and any days of attendance in June
8 shall be added to the month of May.

9 (b) In districts in which all buildings hold
10 year-round classes, days of attendance in July and August
11 shall be added to the month of September and any days of
12 attendance in June shall be added to the month of May.

13 (c) In districts in which some buildings, but not
14 all, hold year-round classes, for the non-year-round
15 buildings, days of attendance in August shall be added to
16 the month of September and any days of attendance in June
17 shall be added to the month of May. The average daily
18 attendance for the year-round buildings shall be computed
19 as provided in subdivision (b) of this paragraph (1). To
20 calculate the Average Daily Attendance for the district,
21 the average daily attendance for the year-round buildings
22 shall be multiplied by the days in session for the
23 non-year-round buildings for each month and added to the
24 monthly attendance of the non-year-round buildings.

25 Except as otherwise provided in this Section, days of
26 attendance by pupils shall be counted only for sessions of
27 not less than 5 clock hours of school work per day under
28 direct supervision of: (i) teachers, or (ii) non-teaching
29 personnel or volunteer personnel when engaging in
30 non-teaching duties and supervising in those instances
31 specified in subsection (a) of Section 10-22.34 and paragraph
32 10 of Section 34-18, with pupils of legal school age and in
33 kindergarten and grades 1 through 12.

34 Days of attendance by tuition pupils shall be accredited

1 only to the districts that pay the tuition to a recognized
2 school.

3 (2) Days of attendance by pupils of less than 5 clock
4 hours of school shall be subject to the following provisions
5 in the compilation of Average Daily Attendance.

6 (a) Pupils regularly enrolled in a public school
7 for only a part of the school day may be counted on the
8 basis of 1/6 day for every class hour of instruction of
9 40 minutes or more attended pursuant to such enrollment,
10 unless a pupil is enrolled in a block-schedule format of
11 80 minutes or more of instruction, in which case the
12 pupil may be counted on the basis of the proportion of
13 minutes of school work completed each day to the minimum
14 number of minutes that school work is required to be held
15 that day.

16 (b) Days of attendance may be less than 5 clock
17 hours on the opening and closing of the school term, and
18 upon the first day of pupil attendance, if preceded by a
19 day or days utilized as an institute or teachers'
20 workshop.

21 (c) A session of 4 or more clock hours may be
22 counted as a day of attendance upon certification by the
23 regional superintendent, and approved by the State
24 Superintendent of Education to the extent that the
25 district has been forced to use daily multiple sessions.

26 (d) A session of 3 or more clock hours may be
27 counted as a day of attendance (1) when the remainder of
28 the school day or at least 2 hours in the evening of that
29 day is utilized for an in-service training program for
30 teachers, up to a maximum of 5 days per school year of
31 which a maximum of 4 days of such 5 days may be used for
32 parent-teacher conferences, provided a district conducts
33 an in-service training program for teachers which has
34 been approved by the State Superintendent of Education;

1 or, in lieu of 4 such days, 2 full days may be used, in
2 which event each such day may be counted as a day of
3 attendance; and (2) when days in addition to those
4 provided in item (1) are scheduled by a school pursuant
5 to its school improvement plan adopted under Article 34
6 or its revised or amended school improvement plan adopted
7 under Article 2, provided that (i) such sessions of 3 or
8 more clock hours are scheduled to occur at regular
9 intervals, (ii) the remainder of the school days in which
10 such sessions occur are utilized for in-service training
11 programs or other staff development activities for
12 teachers, and (iii) a sufficient number of minutes of
13 school work under the direct supervision of teachers are
14 added to the school days between such regularly scheduled
15 sessions to accumulate not less than the number of
16 minutes by which such sessions of 3 or more clock hours
17 fall short of 5 clock hours. Any full days used for the
18 purposes of this paragraph shall not be considered for
19 computing average daily attendance. Days scheduled for
20 in-service training programs, staff development
21 activities, or parent-teacher conferences may be
22 scheduled separately for different grade levels and
23 different attendance centers of the district.

24 (e) A session of not less than one clock hour of
25 teaching hospitalized or homebound pupils on-site or by
26 telephone to the classroom may be counted as 1/2 day of
27 attendance, however these pupils must receive 4 or more
28 clock hours of instruction to be counted for a full day
29 of attendance.

30 (f) A session of at least 4 clock hours may be
31 counted as a day of attendance for first grade pupils,
32 and pupils in full day kindergartens, and a session of 2
33 or more hours may be counted as 1/2 day of attendance by
34 pupils in kindergartens which provide only 1/2 day of

1 attendance.

2 (g) For children with disabilities who are below
3 the age of 6 years and who cannot attend 2 or more clock
4 hours because of their disability or immaturity, a
5 session of not less than one clock hour may be counted as
6 1/2 day of attendance; however for such children whose
7 educational needs so require a session of 4 or more clock
8 hours may be counted as a full day of attendance.

9 (h) A recognized kindergarten which provides for
10 only 1/2 day of attendance by each pupil shall not have
11 more than 1/2 day of attendance counted in any one day.
12 However, kindergartens may count 2 1/2 days of attendance
13 in any 5 consecutive school days. When a pupil attends
14 such a kindergarten for 2 half days on any one school
15 day, the pupil shall have the following day as a day
16 absent from school, unless the school district obtains
17 permission in writing from the State Superintendent of
18 Education. Attendance at kindergartens which provide for
19 a full day of attendance by each pupil shall be counted
20 the same as attendance by first grade pupils. Only the
21 first year of attendance in one kindergarten shall be
22 counted, except in case of children who entered the
23 kindergarten in their fifth year whose educational
24 development requires a second year of kindergarten as
25 determined under the rules and regulations of the State
26 Board of Education.

27 (G) Equalized Assessed Valuation Data.

28 (1) For purposes of the calculation of Available Local
29 Resources required pursuant to subsection (D), the State
30 Board of Education shall secure from the Department of
31 Revenue the value as equalized or assessed by the Department
32 of Revenue of all taxable property of every school district,
33 together with (i) the applicable tax rate used in extending
34 taxes for the funds of the district as of September 30 of the

1 previous year and (ii) the limiting rate for all school
2 districts subject to property tax extension limitations as
3 imposed under the Property Tax Extension Limitation Law. The
4 Department of Revenue shall add to the equalized assessed
5 value of all taxable property of each school district
6 situated entirely or partially within a county with 3,000,000
7 or more inhabitants an amount equal to the total amount by
8 which the homestead exemption allowed under Section 15-176 of
9 the Property Tax Code for real property situated in that
10 school district exceeds the total amount that would have been
11 allowed in that school district if the maximum reduction
12 under Section 15-176 was \$4,500. The county clerk of any
13 county with 3,000,000 or more inhabitants shall annually
14 calculate and certify to the Department of Revenue for each
15 school district all homestead exemption amounts under Section
16 15-176.

17 This equalized assessed valuation, as adjusted further by
18 the requirements of this subsection, shall be utilized in the
19 calculation of Available Local Resources.

20 (2) The equalized assessed valuation in paragraph (1)
21 shall be adjusted, as applicable, in the following manner:

22 (a) For the purposes of calculating State aid under
23 this Section, with respect to any part of a school
24 district within a redevelopment project area in respect
25 to which a municipality has adopted tax increment
26 allocation financing pursuant to the Tax Increment
27 Allocation Redevelopment Act, Sections 11-74.4-1 through
28 11-74.4-11 of the Illinois Municipal Code or the
29 Industrial Jobs Recovery Law, Sections 11-74.6-1 through
30 11-74.6-50 of the Illinois Municipal Code, no part of the
31 current equalized assessed valuation of real property
32 located in any such project area which is attributable to
33 an increase above the total initial equalized assessed
34 valuation of such property shall be used as part of the

1 equalized assessed valuation of the district, until such
2 time as all redevelopment project costs have been paid,
3 as provided in Section 11-74.4-8 of the Tax Increment
4 Allocation Redevelopment Act or in Section 11-74.6-35 of
5 the Industrial Jobs Recovery Law. For the purpose of the
6 equalized assessed valuation of the district, the total
7 initial equalized assessed valuation or the current
8 equalized assessed valuation, whichever is lower, shall
9 be used until such time as all redevelopment project
10 costs have been paid.

11 (b) The real property equalized assessed valuation
12 for a school district shall be adjusted by subtracting
13 from the real property value as equalized or assessed by
14 the Department of Revenue for the district an amount
15 computed by dividing the amount of any abatement of taxes
16 under Section 18-170 of the Property Tax Code by 3.00%
17 for a district maintaining grades kindergarten through
18 12, by 2.30% for a district maintaining grades
19 kindergarten through 8, or by 1.05% for a district
20 maintaining grades 9 through 12 and adjusted by an amount
21 computed by dividing the amount of any abatement of taxes
22 under subsection (a) of Section 18-165 of the Property
23 Tax Code by the same percentage rates for district type
24 as specified in this subparagraph (b).

25 (3) For the 1999-2000 school year and each school year
26 thereafter, if a school district meets all of the criteria of
27 this subsection (G)(3), the school district's Available Local
28 Resources shall be calculated under subsection (D) using the
29 district's Extension Limitation Equalized Assessed Valuation
30 as calculated under this subsection (G)(3).

31 For purposes of this subsection (G)(3) the following
32 terms shall have the following meanings:

33 "Budget Year": The school year for which general
34 State aid is calculated and awarded under subsection (E).

1 "Base Tax Year": The property tax levy year used to
2 calculate the Budget Year allocation of general State
3 aid.

4 "Preceding Tax Year": The property tax levy year
5 immediately preceding the Base Tax Year.

6 "Base Tax Year's Tax Extension": The product of the
7 equalized assessed valuation utilized by the County Clerk
8 in the Base Tax Year multiplied by the limiting rate as
9 calculated by the County Clerk and defined in the
10 Property Tax Extension Limitation Law.

11 "Preceding Tax Year's Tax Extension": The product of
12 the equalized assessed valuation utilized by the County
13 Clerk in the Preceding Tax Year multiplied by the
14 Operating Tax Rate as defined in subsection (A).

15 "Extension Limitation Ratio": A numerical ratio,
16 certified by the County Clerk, in which the numerator is
17 the Base Tax Year's Tax Extension and the denominator is
18 the Preceding Tax Year's Tax Extension.

19 "Operating Tax Rate": The operating tax rate as
20 defined in subsection (A).

21 If a school district is subject to property tax extension
22 limitations as imposed under the Property Tax Extension
23 Limitation Law, the State Board of Education shall calculate
24 the Extension Limitation Equalized Assessed Valuation of that
25 district. For the 1999-2000 school year, the Extension
26 Limitation Equalized Assessed Valuation of a school district
27 as calculated by the State Board of Education shall be equal
28 to the product of the district's 1996 Equalized Assessed
29 Valuation and the district's Extension Limitation Ratio. For
30 the 2000-2001 school year and each school year thereafter,
31 the Extension Limitation Equalized Assessed Valuation of a
32 school district as calculated by the State Board of Education
33 shall be equal to the product of the Equalized Assessed
34 Valuation last used in the calculation of general State aid

1 and the district's Extension Limitation Ratio. If the
2 Extension Limitation Equalized Assessed Valuation of a school
3 district as calculated under this subsection (G)(3) is less
4 than the district's equalized assessed valuation as
5 calculated pursuant to subsections (G)(1) and (G)(2), then
6 for purposes of calculating the district's general State aid
7 for the Budget Year pursuant to subsection (E), that
8 Extension Limitation Equalized Assessed Valuation shall be
9 utilized to calculate the district's Available Local
10 Resources under subsection (D).

11 (4) For the purposes of calculating general State aid
12 for the 1999-2000 school year only, if a school district
13 experienced a triennial reassessment on the equalized
14 assessed valuation used in calculating its general State
15 financial aid apportionment for the 1998-1999 school year,
16 the State Board of Education shall calculate the Extension
17 Limitation Equalized Assessed Valuation that would have been
18 used to calculate the district's 1998-1999 general State aid.
19 This amount shall equal the product of the equalized assessed
20 valuation used to calculate general State aid for the
21 1997-1998 school year and the district's Extension Limitation
22 Ratio. If the Extension Limitation Equalized Assessed
23 Valuation of the school district as calculated under this
24 paragraph (4) is less than the district's equalized assessed
25 valuation utilized in calculating the district's 1998-1999
26 general State aid allocation, then for purposes of
27 calculating the district's general State aid pursuant to
28 paragraph (5) of subsection (E), that Extension Limitation
29 Equalized Assessed Valuation shall be utilized to calculate
30 the district's Available Local Resources.

31 (5) For school districts having a majority of their
32 equalized assessed valuation in any county except Cook,
33 DuPage, Kane, Lake, McHenry, or Will, if the amount of
34 general State aid allocated to the school district for the

1 1999-2000 school year under the provisions of subsection (E),
2 (H), and (J) of this Section is less than the amount of
3 general State aid allocated to the district for the 1998-1999
4 school year under these subsections, then the general State
5 aid of the district for the 1999-2000 school year only shall
6 be increased by the difference between these amounts. The
7 total payments made under this paragraph (5) shall not exceed
8 \$14,000,000. Claims shall be prorated if they exceed
9 \$14,000,000.

10 (H) Supplemental General State Aid.

11 (1) In addition to the general State aid a school
12 district is allotted pursuant to subsection (E), qualifying
13 school districts shall receive a grant, paid in conjunction
14 with a district's payments of general State aid, for
15 supplemental general State aid based upon the concentration
16 level of children from low-income households within the
17 school district. Supplemental State aid grants provided for
18 school districts under this subsection shall be appropriated
19 for distribution to school districts as part of the same line
20 item in which the general State financial aid of school
21 districts is appropriated under this Section. If the
22 appropriation in any fiscal year for general State aid and
23 supplemental general State aid is insufficient to pay the
24 amounts required under the general State aid and supplemental
25 general State aid calculations, then the State Board of
26 Education shall ensure that each school district receives the
27 full amount due for general State aid and the remainder of
28 the appropriation shall be used for supplemental general
29 State aid, which the State Board of Education shall calculate
30 and pay to eligible districts on a prorated basis.

31 (1.5) This paragraph (1.5) applies only to those school
32 years preceding the 2003-2004 school year. For purposes of
33 this subsection (H), the term "Low-Income Concentration
34 Level" shall be the low-income eligible pupil count from the

1 most recently available federal census divided by the Average
2 Daily Attendance of the school district. If, however, (i) the
3 percentage decrease from the 2 most recent federal censuses
4 in the low-income eligible pupil count of a high school
5 district with fewer than 400 students exceeds by 75% or more
6 the percentage change in the total low-income eligible pupil
7 count of contiguous elementary school districts, whose
8 boundaries are coterminous with the high school district, or
9 (ii) a high school district within 2 counties and serving 5
10 elementary school districts, whose boundaries are coterminous
11 with the high school district, has a percentage decrease from
12 the 2 most recent federal censuses in the low-income eligible
13 pupil count and there is a percentage increase in the total
14 low-income eligible pupil count of a majority of the
15 elementary school districts in excess of 50% from the 2 most
16 recent federal censuses, then the high school district's
17 low-income eligible pupil count from the earlier federal
18 census shall be the number used as the low-income eligible
19 pupil count for the high school district, for purposes of
20 this subsection (H). The changes made to this paragraph (1)
21 by Public Act 92-28 shall apply to supplemental general State
22 aid grants for school years preceding the 2003-2004 school
23 year that are paid in fiscal year 1999 or thereafter and to
24 any State aid payments made in fiscal year 1994 through
25 fiscal year 1998 pursuant to subsection 1(n) of Section 18-8
26 of this Code (which was repealed on July 1, 1998), and any
27 high school district that is affected by Public Act 92-28 is
28 entitled to a recomputation of its supplemental general State
29 aid grant or State aid paid in any of those fiscal years.
30 This recomputation shall not be affected by any other
31 funding.

32 (1.10) This paragraph (1.10) applies to the 2003-2004
33 school year and each school year thereafter. For purposes of
34 this subsection (H), the term "Low-Income Concentration

1 Level" shall, for each fiscal year, be the low-income
2 eligible pupil count as of July 1 of the immediately
3 preceding fiscal year (as determined by the Department of
4 Human Services based on the number of pupils who are eligible
5 for at least one of the following low income programs:
6 Medicaid, KidCare, TANF, or Food Stamps, excluding pupils who
7 are eligible for services provided by the Department of
8 Children and Family Services, averaged over the 2 immediately
9 preceding fiscal years for fiscal year 2004 and over the 3
10 immediately preceding fiscal years for each fiscal year
11 thereafter) divided by the Average Daily Attendance of the
12 school district.

13 (2) Supplemental general State aid pursuant to this
14 subsection (H) shall be provided as follows for the
15 1998-1999, 1999-2000, and 2000-2001 school years only:

16 (a) For any school district with a Low Income
17 Concentration Level of at least 20% and less than 35%,
18 the grant for any school year shall be \$800 multiplied by
19 the low income eligible pupil count.

20 (b) For any school district with a Low Income
21 Concentration Level of at least 35% and less than 50%,
22 the grant for the 1998-1999 school year shall be \$1,100
23 multiplied by the low income eligible pupil count.

24 (c) For any school district with a Low Income
25 Concentration Level of at least 50% and less than 60%,
26 the grant for the 1998-99 school year shall be \$1,500
27 multiplied by the low income eligible pupil count.

28 (d) For any school district with a Low Income
29 Concentration Level of 60% or more, the grant for the
30 1998-99 school year shall be \$1,900 multiplied by the low
31 income eligible pupil count.

32 (e) For the 1999-2000 school year, the per pupil
33 amount specified in subparagraphs (b), (c), and (d)
34 immediately above shall be increased to \$1,243, \$1,600,

1 and \$2,000, respectively.

2 (f) For the 2000-2001 school year, the per pupil
3 amounts specified in subparagraphs (b), (c), and (d)
4 immediately above shall be \$1,273, \$1,640, and \$2,050,
5 respectively.

6 (2.5) Supplemental general State aid pursuant to this
7 subsection (H) shall be provided as follows for the 2002-2003
8 school year:

9 (a) For any school district with a Low Income
10 Concentration Level of less than 10%, the grant for each
11 school year shall be \$355 multiplied by the low income
12 eligible pupil count.

13 (b) For any school district with a Low Income
14 Concentration Level of at least 10% and less than 20%,
15 the grant for each school year shall be \$675 multiplied
16 by the low income eligible pupil count.

17 (c) For any school district with a Low Income
18 Concentration Level of at least 20% and less than 35%,
19 the grant for each school year shall be \$1,330 multiplied
20 by the low income eligible pupil count.

21 (d) For any school district with a Low Income
22 Concentration Level of at least 35% and less than 50%,
23 the grant for each school year shall be \$1,362 multiplied
24 by the low income eligible pupil count.

25 (e) For any school district with a Low Income
26 Concentration Level of at least 50% and less than 60%,
27 the grant for each school year shall be \$1,680 multiplied
28 by the low income eligible pupil count.

29 (f) For any school district with a Low Income
30 Concentration Level of 60% or more, the grant for each
31 school year shall be \$2,080 multiplied by the low income
32 eligible pupil count.

33 (2.10) Except as otherwise provided, supplemental
34 general State aid pursuant to this subsection (H) shall be

1 provided as follows for the 2003-2004 school year and each
2 school year thereafter:

3 (a) For any school district with a Low Income
4 Concentration Level of 15% or less, the grant for each
5 school year shall be \$355 multiplied by the low income
6 eligible pupil count.

7 (b) For any school district with a Low Income
8 Concentration Level greater than 15%, the grant for each
9 school year shall be \$294.25 added to the product of
10 \$2,700 and the square of the Low Income Concentration
11 Level, all multiplied by the low income eligible pupil
12 count.

13 For the 2003-2004 school year only, the grant shall be no
14 less than the grant for the 2002-2003 school year. For the
15 2004-2005 school year only, the grant shall be no less than
16 the grant for the 2002-2003 school year multiplied by 0.66.
17 For the 2005-2006 school year only, the grant shall be no
18 less than the grant for the 2002-2003 school year multiplied
19 by 0.33.

20 For the 2003-2004 school year only, the grant shall be no
21 greater than the grant received during the 2002-2003 school
22 year added to the product of 0.25 multiplied by the
23 difference between the grant amount calculated under
24 subsection (a) or (b) of this paragraph (2.10), whichever is
25 applicable, and the grant received during the 2002-2003
26 school year. For the 2004-2005 school year only, the grant
27 shall be no greater than the grant received during the
28 2002-2003 school year added to the product of 0.50 multiplied
29 by the difference between the grant amount calculated under
30 subsection (a) or (b) of this paragraph (2.10), whichever is
31 applicable, and the grant received during the 2002-2003
32 school year. For the 2005-2006 school year only, the grant
33 shall be no greater than the grant received during the
34 2002-2003 school year added to the product of 0.75 multiplied

1 by the difference between the grant amount calculated under
2 subsection (a) or (b) of this paragraph (2.10), whichever is
3 applicable, and the grant received during the 2002-2003
4 school year.

5 (3) School districts with an Average Daily Attendance of
6 more than 1,000 and less than 50,000 that qualify for
7 supplemental general State aid pursuant to this subsection
8 shall submit a plan to the State Board of Education prior to
9 October 30 of each year for the use of the funds resulting
10 from this grant of supplemental general State aid for the
11 improvement of instruction in which priority is given to
12 meeting the education needs of disadvantaged children. Such
13 plan shall be submitted in accordance with rules and
14 regulations promulgated by the State Board of Education.

15 (4) School districts with an Average Daily Attendance of
16 50,000 or more that qualify for supplemental general State
17 aid pursuant to this subsection shall be required to
18 distribute from funds available pursuant to this Section, no
19 less than \$261,000,000 in accordance with the following
20 requirements:

21 (a) The required amounts shall be distributed to
22 the attendance centers within the district in proportion
23 to the number of pupils enrolled at each attendance
24 center who are eligible to receive free or reduced-price
25 lunches or breakfasts under the federal Child Nutrition
26 Act of 1966 and under the National School Lunch Act
27 during the immediately preceding school year.

28 (b) The distribution of these portions of
29 supplemental and general State aid among attendance
30 centers according to these requirements shall not be
31 compensated for or contravened by adjustments of the
32 total of other funds appropriated to any attendance
33 centers, and the Board of Education shall utilize funding
34 from one or several sources in order to fully implement

1 this provision annually prior to the opening of school.

2 (c) Each attendance center shall be provided by the
3 school district a distribution of noncategorical funds
4 and other categorical funds to which an attendance center
5 is entitled under law in order that the general State aid
6 and supplemental general State aid provided by
7 application of this subsection supplements rather than
8 supplants the noncategorical funds and other categorical
9 funds provided by the school district to the attendance
10 centers.

11 (d) Any funds made available under this subsection
12 that by reason of the provisions of this subsection are
13 not required to be allocated and provided to attendance
14 centers may be used and appropriated by the board of the
15 district for any lawful school purpose.

16 (e) Funds received by an attendance center pursuant
17 to this subsection shall be used by the attendance center
18 at the discretion of the principal and local school
19 council for programs to improve educational opportunities
20 at qualifying schools through the following programs and
21 services: early childhood education, reduced class size
22 or improved adult to student classroom ratio, enrichment
23 programs, remedial assistance, attendance improvement,
24 and other educationally beneficial expenditures which
25 supplement the regular and basic programs as determined
26 by the State Board of Education. Funds provided shall not
27 be expended for any political or lobbying purposes as
28 defined by board rule.

29 (f) Each district subject to the provisions of this
30 subdivision (H)(4) shall submit an acceptable plan to
31 meet the educational needs of disadvantaged children, in
32 compliance with the requirements of this paragraph, to
33 the State Board of Education prior to July 15 of each
34 year. This plan shall be consistent with the decisions of

1 local school councils concerning the school expenditure
2 plans developed in accordance with part 4 of Section
3 34-2.3. The State Board shall approve or reject the plan
4 within 60 days after its submission. If the plan is
5 rejected, the district shall give written notice of
6 intent to modify the plan within 15 days of the
7 notification of rejection and then submit a modified plan
8 within 30 days after the date of the written notice of
9 intent to modify. Districts may amend approved plans
10 pursuant to rules promulgated by the State Board of
11 Education.

12 Upon notification by the State Board of Education
13 that the district has not submitted a plan prior to July
14 15 or a modified plan within the time period specified
15 herein, the State aid funds affected by that plan or
16 modified plan shall be withheld by the State Board of
17 Education until a plan or modified plan is submitted.

18 If the district fails to distribute State aid to
19 attendance centers in accordance with an approved plan,
20 the plan for the following year shall allocate funds, in
21 addition to the funds otherwise required by this
22 subsection, to those attendance centers which were
23 underfunded during the previous year in amounts equal to
24 such underfunding.

25 For purposes of determining compliance with this
26 subsection in relation to the requirements of attendance
27 center funding, each district subject to the provisions
28 of this subsection shall submit as a separate document by
29 December 1 of each year a report of expenditure data for
30 the prior year in addition to any modification of its
31 current plan. If it is determined that there has been a
32 failure to comply with the expenditure provisions of this
33 subsection regarding contravention or supplanting, the
34 State Superintendent of Education shall, within 60 days

1 of receipt of the report, notify the district and any
2 affected local school council. The district shall within
3 45 days of receipt of that notification inform the State
4 Superintendent of Education of the remedial or corrective
5 action to be taken, whether by amendment of the current
6 plan, if feasible, or by adjustment in the plan for the
7 following year. Failure to provide the expenditure
8 report or the notification of remedial or corrective
9 action in a timely manner shall result in a withholding
10 of the affected funds.

11 The State Board of Education shall promulgate rules
12 and regulations to implement the provisions of this
13 subsection. No funds shall be released under this
14 subdivision (H)(4) to any district that has not submitted
15 a plan that has been approved by the State Board of
16 Education.

17 (I) General State Aid for Newly Configured School Districts.

18 (1) For a new school district formed by combining
19 property included totally within 2 or more previously
20 existing school districts, for its first year of existence
21 the general State aid and supplemental general State aid
22 calculated under this Section shall be computed for the new
23 district and for the previously existing districts for which
24 property is totally included within the new district. If the
25 computation on the basis of the previously existing districts
26 is greater, a supplementary payment equal to the difference
27 shall be made for the first 4 years of existence of the new
28 district.

29 (2) For a school district which annexes all of the
30 territory of one or more entire other school districts, for
31 the first year during which the change of boundaries
32 attributable to such annexation becomes effective for all
33 purposes as determined under Section 7-9 or 7A-8, the general
34 State aid and supplemental general State aid calculated under

1 this Section shall be computed for the annexing district as
2 constituted after the annexation and for the annexing and
3 each annexed district as constituted prior to the annexation;
4 and if the computation on the basis of the annexing and
5 annexed districts as constituted prior to the annexation is
6 greater, a supplementary payment equal to the difference
7 shall be made for the first 4 years of existence of the
8 annexing school district as constituted upon such annexation.

9 (3) For 2 or more school districts which annex all of
10 the territory of one or more entire other school districts,
11 and for 2 or more community unit districts which result upon
12 the division (pursuant to petition under Section 11A-2) of
13 one or more other unit school districts into 2 or more parts
14 and which together include all of the parts into which such
15 other unit school district or districts are so divided, for
16 the first year during which the change of boundaries
17 attributable to such annexation or division becomes effective
18 for all purposes as determined under Section 7-9 or 11A-10,
19 as the case may be, the general State aid and supplemental
20 general State aid calculated under this Section shall be
21 computed for each annexing or resulting district as
22 constituted after the annexation or division and for each
23 annexing and annexed district, or for each resulting and
24 divided district, as constituted prior to the annexation or
25 division; and if the aggregate of the general State aid and
26 supplemental general State aid as so computed for the
27 annexing or resulting districts as constituted after the
28 annexation or division is less than the aggregate of the
29 general State aid and supplemental general State aid as so
30 computed for the annexing and annexed districts, or for the
31 resulting and divided districts, as constituted prior to the
32 annexation or division, then a supplementary payment equal to
33 the difference shall be made and allocated between or among
34 the annexing or resulting districts, as constituted upon such

1 annexation or division, for the first 4 years of their
2 existence. The total difference payment shall be allocated
3 between or among the annexing or resulting districts in the
4 same ratio as the pupil enrollment from that portion of the
5 annexed or divided district or districts which is annexed to
6 or included in each such annexing or resulting district bears
7 to the total pupil enrollment from the entire annexed or
8 divided district or districts, as such pupil enrollment is
9 determined for the school year last ending prior to the date
10 when the change of boundaries attributable to the annexation
11 or division becomes effective for all purposes. The amount
12 of the total difference payment and the amount thereof to be
13 allocated to the annexing or resulting districts shall be
14 computed by the State Board of Education on the basis of
15 pupil enrollment and other data which shall be certified to
16 the State Board of Education, on forms which it shall provide
17 for that purpose, by the regional superintendent of schools
18 for each educational service region in which the annexing and
19 annexed districts, or resulting and divided districts are
20 located.

21 (3.5) Claims for financial assistance under this
22 subsection (I) shall not be recomputed except as expressly
23 provided under this Section.

24 (4) Any supplementary payment made under this subsection
25 (I) shall be treated as separate from all other payments made
26 pursuant to this Section.

27 (J) Supplementary Grants in Aid.

28 (1) Notwithstanding any other provisions of this
29 Section, the amount of the aggregate general State aid in
30 combination with supplemental general State aid under this
31 Section for which each school district is eligible shall be
32 no less than the amount of the aggregate general State aid
33 entitlement that was received by the district under Section
34 18-8 (exclusive of amounts received under subsections 5(p)

1 and 5(p-5) of that Section) for the 1997-98 school year,
2 pursuant to the provisions of that Section as it was then in
3 effect. If a school district qualifies to receive a
4 supplementary payment made under this subsection (J), the
5 amount of the aggregate general State aid in combination with
6 supplemental general State aid under this Section which that
7 district is eligible to receive for each school year shall be
8 no less than the amount of the aggregate general State aid
9 entitlement that was received by the district under Section
10 18-8 (exclusive of amounts received under subsections 5(p)
11 and 5(p-5) of that Section) for the 1997-1998 school year,
12 pursuant to the provisions of that Section as it was then in
13 effect.

14 (2) If, as provided in paragraph (1) of this subsection
15 (J), a school district is to receive aggregate general State
16 aid in combination with supplemental general State aid under
17 this Section for the 1998-99 school year and any subsequent
18 school year that in any such school year is less than the
19 amount of the aggregate general State aid entitlement that
20 the district received for the 1997-98 school year, the school
21 district shall also receive, from a separate appropriation
22 made for purposes of this subsection (J), a supplementary
23 payment that is equal to the amount of the difference in the
24 aggregate State aid figures as described in paragraph (1).

25 (3) (Blank).

26 (K) Grants to Laboratory and Alternative Schools.

27 In calculating the amount to be paid to the governing
28 board of a public university that operates a laboratory
29 school under this Section or to any alternative school that
30 is operated by a regional superintendent of schools, the
31 State Board of Education shall require by rule such reporting
32 requirements as it deems necessary.

33 As used in this Section, "laboratory school" means a
34 public school which is created and operated by a public

1 university and approved by the State Board of Education. The
2 governing board of a public university which receives funds
3 from the State Board under this subsection (K) may not
4 increase the number of students enrolled in its laboratory
5 school from a single district, if that district is already
6 sending 50 or more students, except under a mutual agreement
7 between the school board of a student's district of residence
8 and the university which operates the laboratory school. A
9 laboratory school may not have more than 1,000 students,
10 excluding students with disabilities in a special education
11 program.

12 As used in this Section, "alternative school" means a
13 public school which is created and operated by a Regional
14 Superintendent of Schools and approved by the State Board of
15 Education. Such alternative schools may offer courses of
16 instruction for which credit is given in regular school
17 programs, courses to prepare students for the high school
18 equivalency testing program or vocational and occupational
19 training. A regional superintendent of schools may contract
20 with a school district or a public community college district
21 to operate an alternative school. An alternative school
22 serving more than one educational service region may be
23 established by the regional superintendents of schools of the
24 affected educational service regions. An alternative school
25 serving more than one educational service region may be
26 operated under such terms as the regional superintendents of
27 schools of those educational service regions may agree.

28 Each laboratory and alternative school shall file, on
29 forms provided by the State Superintendent of Education, an
30 annual State aid claim which states the Average Daily
31 Attendance of the school's students by month. The best 3
32 months' Average Daily Attendance shall be computed for each
33 school. The general State aid entitlement shall be computed
34 by multiplying the applicable Average Daily Attendance by the

1 Foundation Level as determined under this Section.

2 (L) Payments, Additional Grants in Aid and Other
3 Requirements.

4 (1) For a school district operating under the financial
5 supervision of an Authority created under Article 34A, the
6 general State aid otherwise payable to that district under
7 this Section, but not the supplemental general State aid,
8 shall be reduced by an amount equal to the budget for the
9 operations of the Authority as certified by the Authority to
10 the State Board of Education, and an amount equal to such
11 reduction shall be paid to the Authority created for such
12 district for its operating expenses in the manner provided in
13 Section 18-11. The remainder of general State school aid for
14 any such district shall be paid in accordance with Article
15 34A when that Article provides for a disposition other than
16 that provided by this Article.

17 (2) (Blank).

18 (3) Summer school. Summer school payments shall be made
19 as provided in Section 18-4.3.

20 (M) Education Funding Advisory Board.

21 The Education Funding Advisory Board, hereinafter in this
22 subsection (M) referred to as the "Board", is hereby created.
23 The Board shall consist of 5 members who are appointed by the
24 Governor, by and with the advice and consent of the Senate.
25 The members appointed shall include representatives of
26 education, business, and the general public. One of the
27 members so appointed shall be designated by the Governor at
28 the time the appointment is made as the chairperson of the
29 Board. The initial members of the Board may be appointed any
30 time after the effective date of this amendatory Act of 1997.
31 The regular term of each member of the Board shall be for 4
32 years from the third Monday of January of the year in which
33 the term of the member's appointment is to commence, except

1 that of the 5 initial members appointed to serve on the
2 Board, the member who is appointed as the chairperson shall
3 serve for a term that commences on the date of his or her
4 appointment and expires on the third Monday of January, 2002,
5 and the remaining 4 members, by lots drawn at the first
6 meeting of the Board that is held after all 5 members are
7 appointed, shall determine 2 of their number to serve for
8 terms that commence on the date of their respective
9 appointments and expire on the third Monday of January, 2001,
10 and 2 of their number to serve for terms that commence on the
11 date of their respective appointments and expire on the third
12 Monday of January, 2000. All members appointed to serve on
13 the Board shall serve until their respective successors are
14 appointed and confirmed. Vacancies shall be filled in the
15 same manner as original appointments. If a vacancy in
16 membership occurs at a time when the Senate is not in
17 session, the Governor shall make a temporary appointment
18 until the next meeting of the Senate, when he or she shall
19 appoint, by and with the advice and consent of the Senate, a
20 person to fill that membership for the unexpired term. If
21 the Senate is not in session when the initial appointments
22 are made, those appointments shall be made as in the case of
23 vacancies.

24 The Education Funding Advisory Board shall be deemed
25 established, and the initial members appointed by the
26 Governor to serve as members of the Board shall take office,
27 on the date that the Governor makes his or her appointment of
28 the fifth initial member of the Board, whether those initial
29 members are then serving pursuant to appointment and
30 confirmation or pursuant to temporary appointments that are
31 made by the Governor as in the case of vacancies.

32 The State Board of Education shall provide such staff
33 assistance to the Education Funding Advisory Board as is
34 reasonably required for the proper performance by the Board

1 of its responsibilities.

2 For school years after the 2000-2001 school year, the
3 Education Funding Advisory Board, in consultation with the
4 State Board of Education, shall make recommendations as
5 provided in this subsection (M) to the General Assembly for
6 the foundation level under subdivision (B)(3) of this Section
7 and for the supplemental general State aid grant level under
8 subsection (H) of this Section for districts with high
9 concentrations of children from poverty. The recommended
10 foundation level shall be determined based on a methodology
11 which incorporates the basic education expenditures of
12 low-spending schools exhibiting high academic performance.
13 The Education Funding Advisory Board shall make such
14 recommendations to the General Assembly on January 1 of odd
15 numbered years, beginning January 1, 2001.

16 (N) (Blank).

17 (O) References.

18 (1) References in other laws to the various subdivisions
19 of Section 18-8 as that Section existed before its repeal and
20 replacement by this Section 18-8.05 shall be deemed to refer
21 to the corresponding provisions of this Section 18-8.05, to
22 the extent that those references remain applicable.

23 (2) References in other laws to State Chapter 1 funds
24 shall be deemed to refer to the supplemental general State
25 aid provided under subsection (H) of this Section.

26 (Source: P.A. 92-16, eff. 6-28-01; 92-28, eff. 7-1-01; 92-29,
27 eff. 7-1-01; 92-269, eff. 8-7-01; 92-604, eff. 7-1-02;
28 92-636, eff. 7-11-02; 92-651, eff. 7-11-02; 93-21, eff.
29 7-1-03.)

30 Section 40. The Criminal Code of 1961 is amended by
31 changing Section 17A-1 as follows:

1 (720 ILCS 5/17A-1) (from Ch. 38, par. 17A-1)

2 Sec. 17A-1. Persons under deportation order; ineligible
3 for benefits. An individual against whom a United States
4 Immigration Judge has issued an order of deportation which
5 has been affirmed by the Board of Immigration Review, as well
6 as an individual who appeals such an order pending appeal,
7 under paragraph 19 of Section 241(a) of the Immigration and
8 Nationality Act relating to persecution of others on account
9 of race, religion, national origin or political opinion under
10 the direction of or in association with the Nazi government
11 of Germany or its allies, shall be ineligible for the
12 following benefits authorized by State law:

13 (a) The homestead exemptions ~~exemption~~ and homestead
14 improvement exemption under Sections 15-170, 15-175, 15-176,
15 and 15-180 of the Property Tax Code.

16 (b) Grants under the Senior Citizens and Disabled
17 Persons Property Tax Relief and Pharmaceutical Assistance
18 Act.

19 (c) The double income tax exemption conferred upon
20 persons 65 years of age or older by Section 204 of the
21 Illinois Income Tax Act.

22 (d) Grants provided by the Department on Aging.

23 (e) Reductions in vehicle registration fees under
24 Section 3-806.3 of the Illinois Vehicle Code.

25 (f) Free fishing and reduced fishing license fees under
26 Sections 20-5 and 20-40 of the Fish and Aquatic Life Code.

27 (g) Tuition free courses for senior citizens under the
28 Senior Citizen Courses Act.

29 (h) Any benefits under the Illinois Public Aid Code.

30 (Source: P.A. 87-895; 88-670, eff. 12-2-94.)

31 Section 90. The State Mandates Act is amended by adding
32 Section 8.28 as follows:

1 (30 ILCS 805/8.28 new)

2 Sec. 8.28. Exempt mandate. Notwithstanding Sections 6
3 and 8 of this Act, no reimbursement by the State is required
4 for the implementation of any mandate created by the General
5 Homestead Exemption under Section 15-176 of the Property Tax
6 Code."