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1 AMENDMENT TO SENATE BILL 1498

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

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

7 (20 ILCS 620/6) (from Ch. 67 1/2, par. 1006)

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

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

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

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

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

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

5 (35 ILCS 200/14-15)

6 Sec. 14-15. Certificate of error; counties of 3,000,000 or
7 more.

8 (a) In counties with 3,000,000 or more inhabitants, if,
9 after the assessment is certified pursuant to Section 16-150,
10 but subject to the limitations of subsection (c) of this
11 Section, the county assessor discovers an error or mistake in
12 the assessment, the assessor shall execute a certificate
13 setting forth the nature and cause of the error. The
14 certificate when endorsed by the county assessor, or when
15 endorsed by the county assessor and board of appeals (until the
16 first Monday in December 1998 and the board of review beginning
17 the first Monday in December 1998 and thereafter) where the
18 certificate is executed for any assessment which was the
19 subject of a complaint filed in the board of appeals (until the
20 first Monday in December 1998 and the board of review beginning
21 the first Monday in December 1998 and thereafter) for the tax
22 year for which the certificate is issued, may, either be
23 certified according to the procedure authorized by this Section
24 or be presented and received in evidence in any court of
25 competent jurisdiction. Certification is authorized, at the
26 discretion of the county assessor, for: (1) certificates of
27 error allowing homestead exemptions pursuant to Sections
28 15-170, 15-172, ~~and~~ 15-175, and 15-176; (2) certificates of
29 error on residential property of 6 units or less; (3)
30 certificates of error allowing exemption of the property
31 pursuant to Section 14-25; and (4) other certificates of error
32 reducing assessed value by less than \$100,000. Any certificate

1 of error not certified shall be presented to the court. The
2 county assessor shall develop reasonable procedures for the
3 filing and processing of certificates of error. Prior to the
4 certification or presentation to the court, the county assessor
5 or his or her designee shall execute and include in the
6 certificate of error a statement attesting that all procedural
7 requirements pertaining to the issuance of the certificate of
8 error have been met and that in fact an error exists. When so
9 introduced in evidence such certificate shall become a part of
10 the court records, and shall not be removed from the files
11 except upon the order of the court.

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

23 Any unpaid taxes after the entry of the final judgment by
24 the court or certification on certificates issued under this
25 Section may be included in a special tax sale, provided that an
26 advertisement is published and a notice is mailed to the person
27 in whose name the taxes were last assessed, in a form and
28 manner substantially similar to the advertisement and notice
29 required under Sections 21-110 and 21-135. The advertisement
30 and sale shall be subject to all provisions of law regulating
31 the annual advertisement and sale of delinquent property, to
32 the extent that those provisions may be made applicable.

33 A certificate of error certified under this Section shall
34 be given effect by the county treasurer, who shall mark the tax

1 books and, upon receipt of one of the following certificates
 2 from the county assessor or the county assessor and the board
 3 of review where the board of review is required to endorse the
 4 certificate of error, shall issue refunds to the taxpayer
 5 accordingly:

6 "CERTIFICATION

7 I,, county assessor, hereby certify
 8 that the Certificates of Error set out on the attached list
 9 have been duly issued to correct an error or mistake in the
 10 assessment."

11 "CERTIFICATION

12 I,, county assessor, and we,
 13,
 14 members of the board of review, hereby certify that the
 15 Certificates of Error set out on the attached list have
 16 been duly issued to correct an error or mistake in the
 17 assessment and that any certificates of error required to
 18 be endorsed by the board of review have been so endorsed."

19 The county treasurer has the power to mark the tax books to
 20 reflect the issuance of certificates of error certified
 21 according to the procedure authorized in this Section for
 22 certificates of error issued under Section 14-25 or
 23 certificates of error issued to and including 3 years after the
 24 date on which the annual judgment and order of sale for that
 25 tax year was first entered. The county treasurer has the power
 26 to issue refunds to the taxpayer as set forth above until all
 27 refunds authorized by this Section have been completed.

28 To the extent that the certificate of error obviates the
 29 liability for nonpayment of taxes, certification of a
 30 certificate of error according to the procedure authorized in
 31 this Section shall operate to vacate any judgment or forfeiture

1 as to that year's taxes, and the warrant books and judgment
2 books shall be marked to reflect that the judgment or
3 forfeiture has been vacated.

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

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

23 (d) The time limitation of subsection (c) shall not apply
24 to a certificate of error correcting an assessment to \$1, under
25 Section 10-35, on a parcel that a subdivision or planned
26 development has acquired by adverse possession, if during the
27 tax year for which the certificate is executed the subdivision
28 or planned development used the parcel as common area, as
29 defined in Section 10-35, and if application for the
30 certificate of error is made prior to December 1, 1997.

31 (e) The changes made by this amendatory Act of the 91st
32 General Assembly apply to certificates of error issued before,
33 on, and after the effective date of this amendatory Act of the
34 91st General Assembly.

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

3 (35 ILCS 200/15-10)

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

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

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

4 (2) Section 15-40.

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

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

8 An application for homestead exemptions shall be filed as
9 provided in Section 15-170 (senior citizens homestead
10 exemption), Section 15-172 (senior citizens assessment freeze
11 homestead exemption), and Sections ~~Section~~ 15-175 and 15-176
12 (general homestead exemption), respectively.

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

14 (35 ILCS 200/15-170)

15 Sec. 15-170. Senior Citizens Homestead Exemption. An
16 annual homestead exemption limited, except as described here
17 with relation to cooperatives or life care facilities, to a
18 maximum reduction set forth below from the property's value, as
19 equalized or assessed by the Department, is granted for
20 property that is occupied as a residence by a person 65 years
21 of age or older who is liable for paying real estate taxes on
22 the property and is an owner of record of the property or has a
23 legal or equitable interest therein as evidenced by a written
24 instrument, except for a leasehold interest, other than a
25 leasehold interest of land on which a single family residence
26 is located, which is occupied as a residence by a person 65
27 years or older who has an ownership interest therein, legal,
28 equitable or as a lessee, and on which he or she is liable for
29 the payment of property taxes. The maximum reduction shall be
30 \$2,500 in counties with 3,000,000 or more inhabitants and
31 \$2,000 in all other counties. For land improved with an
32 apartment building owned and operated as a cooperative, the
33 maximum reduction from the value of the property, as equalized

1 by the Department, shall be multiplied by the number of
2 apartments or units occupied by a person 65 years of age or
3 older who is liable, by contract with the owner or owners of
4 record, for paying property taxes on the property and is an
5 owner of record of a legal or equitable interest in the
6 cooperative apartment building, other than a leasehold
7 interest. For land improved with a life care facility, the
8 maximum reduction from the value of the property, as equalized
9 by the Department, shall be multiplied by the number of
10 apartments or units occupied by persons 65 years of age or
11 older, irrespective of any legal, equitable, or leasehold
12 interest in the facility, who are liable, under a contract with
13 the owner or owners of record of the facility, for paying
14 property taxes on the property. In a cooperative or a life care
15 facility where a homestead exemption has been granted, the
16 cooperative association or the management firm of the
17 cooperative or facility shall credit the savings resulting from
18 that exemption only to the apportioned tax liability of the
19 owner or resident who qualified for the exemption. Any person
20 who willfully refuses to so credit the savings shall be guilty
21 of a Class B misdemeanor. Under this Section and Sections
22 ~~Section~~ 15-175 and 15-176, "life care facility" means a
23 facility as defined in Section 2 of the Life Care Facilities
24 Act, with which the applicant for the homestead exemption has a
25 life care contract as defined in that Act.

26 When a homestead exemption has been granted under this
27 Section and the person qualifying subsequently becomes a
28 resident of a facility licensed under the Nursing Home Care
29 Act, the exemption shall continue so long as the residence
30 continues to be occupied by the qualifying person's spouse if
31 the spouse is 65 years of age or older, or if the residence
32 remains unoccupied but is still owned by the person qualified
33 for the homestead exemption.

34 A person who will be 65 years of age during the current

1 assessment year shall be eligible to apply for the homestead
2 exemption during that assessment year. Application shall be
3 made during the application period in effect for the county of
4 his residence.

5 Beginning with assessment year 2003, for taxes payable in
6 2004, property that is first occupied as a residence after
7 January 1 of any assessment year by a person who is eligible
8 for the senior citizens homestead exemption under this Section
9 must be granted a pro-rata exemption for the assessment year.
10 The amount of the pro-rata exemption is the exemption allowed
11 in the county under this Section divided by 365 and multiplied
12 by the number of days during the assessment year the property
13 is occupied as a residence by a person eligible for the
14 exemption under this Section. The chief county assessment
15 officer must adopt reasonable procedures to establish
16 eligibility for this pro-rata exemption.

17 The assessor or chief county assessment officer may
18 determine the eligibility of a life care facility to receive
19 the benefits provided by this Section, by affidavit,
20 application, visual inspection, questionnaire or other
21 reasonable methods in order to insure that the tax savings
22 resulting from the exemption are credited by the management
23 firm to the apportioned tax liability of each qualifying
24 resident. The assessor may request reasonable proof that the
25 management firm has so credited the exemption.

26 The chief county assessment officer of each county with
27 less than 3,000,000 inhabitants shall provide to each person
28 allowed a homestead exemption under this Section a form to
29 designate any other person to receive a duplicate of any notice
30 of delinquency in the payment of taxes assessed and levied
31 under this Code on the property of the person receiving the
32 exemption. The duplicate notice shall be in addition to the
33 notice required to be provided to the person receiving the
34 exemption, and shall be given in the manner required by this

1 Code. The person filing the request for the duplicate notice
2 shall pay a fee of \$5 to cover administrative costs to the
3 supervisor of assessments, who shall then file the executed
4 designation with the county collector. Notwithstanding any
5 other provision of this Code to the contrary, the filing of
6 such an executed designation requires the county collector to
7 provide duplicate notices as indicated by the designation. A
8 designation may be rescinded by the person who executed such
9 designation at any time, in the manner and form required by the
10 chief county assessment officer.

11 The assessor or chief county assessment officer may
12 determine the eligibility of residential property to receive
13 the homestead exemption provided by this Section by
14 application, visual inspection, questionnaire or other
15 reasonable methods. The determination shall be made in
16 accordance with guidelines established by the Department.

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

21 In counties with less than 3,000,000 inhabitants, if the
22 assessor or chief county assessment officer requires annual
23 application for verification of eligibility for an exemption
24 once granted under this Section, the application shall be
25 mailed to the taxpayer.

26 The assessor or chief county assessment officer shall
27 notify each person who qualifies for an exemption under this
28 Section that the person may also qualify for deferral of real
29 estate taxes under the Senior Citizens Real Estate Tax Deferral
30 Act. The notice shall set forth the qualifications needed for
31 deferral of real estate taxes, the address and telephone number
32 of county collector, and a statement that applications for
33 deferral of real estate taxes may be obtained from the county
34 collector.

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

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

5 (35 ILCS 200/15-175)

6 Sec. 15-175. General homestead exemption. Except as
7 provided in Section 15-176, homestead property is entitled to
8 an annual homestead exemption limited, except as described here
9 with relation to cooperatives, to a reduction in the equalized
10 assessed value of homestead property equal to the increase in
11 equalized assessed value for the current assessment year above
12 the equalized assessed value of the property for 1977, up to
13 the maximum reduction set forth below. If however, the 1977
14 equalized assessed value upon which taxes were paid is
15 subsequently determined by local assessing officials, the
16 Property Tax Appeal Board, or a court to have been excessive,
17 the equalized assessed value which should have been placed on
18 the property for 1977 shall be used to determine the amount of
19 the exemption.

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

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

31 If in any assessment year beginning with the 2000
32 assessment year, homestead property has a pro-rata valuation
33 under Section 9-180 resulting in an increase in the assessed

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

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

32 In a cooperative where a homestead exemption has been
33 granted, the cooperative association or its management firm
34 shall credit the savings resulting from that exemption only to

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

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

8 In counties with more than 3,000,000 inhabitants, the
9 assessor or chief county assessment officer may determine the
10 eligibility of residential property to receive the homestead
11 exemption by application, visual inspection, questionnaire or
12 other reasonable methods. The determination shall be made in
13 accordance with guidelines established by the Department.

14 In counties with fewer than 3,000,000 inhabitants, in the
15 event of a sale of homestead property the homestead exemption
16 shall remain in effect for the remainder of the assessment year
17 of the sale. The assessor or chief county assessment officer
18 may require the new owner of the property to apply for the
19 homestead exemption for the following assessment year.

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

22 (35 ILCS 200/15-176 new)

23 Sec. 15-176. Alternative general homestead exemption.

24 (a) For the assessment years as determined under subsection
25 (j), in any county that has elected, by an ordinance in
26 accordance with subsection (k), to be subject to the provisions
27 of this Section in lieu of the provisions of Section 15-175,
28 homestead property is entitled to an annual homestead exemption
29 equal to a reduction in the property's equalized assessed value
30 calculated as provided in this Section.

31 (b) As used in this Section:

32 (1) "Assessor" means the supervisor of assessments or
33 the chief county assessment officer of each county.

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

3 (A) The property's base homestead value increased
4 by 7% for each tax year after 2002 through and
5 including the current tax year, or, if the property is
6 sold or ownership is otherwise transferred, the
7 property's base homestead value increased by 7% for
8 each tax year after the year of the sale or transfer
9 through and including the current tax year. The
10 increase by 7% each year is an increase by 7% over the
11 prior year.

12 (B) The property's equalized assessed value for
13 the current tax year minus \$4,500 in Cook County or
14 \$3,500 in all other counties.

15 (3) "Base homestead value".

16 (A) Except as provided in subdivision ((b)(3)(B),
17 "base homestead value" means the equalized assessed
18 value of the property for tax year 2002 prior to
19 exemptions, minus \$4,500 in Cook County or \$3,500 in
20 all other counties, provided that it was assessed for
21 that year as residential property qualified for any of
22 the homestead exemptions under Sections 15-170 through
23 15-175 of this Code, then in force, and further
24 provided that the property's assessment was not based
25 on a reduced assessed value resulting from a temporary
26 irregularity in the property for that year. Except as
27 provided in subdivision (b)(3)(B), if the property did
28 not have a residential equalized assessed value for tax
29 year 2002, then "base homestead value" means the base
30 homestead value established by the assessor under
31 subsection (c).

32 (B) If the property is sold or ownership is
33 otherwise transferred, "base homestead value" means
34 the equalized assessed value of the property at the

1 time of the sale or transfer prior to exemptions, minus
2 \$4,500 in Cook County or \$3,500 in all other counties,
3 provided that it was assessed as residential property
4 qualified for any of the homestead exemptions under
5 Sections 15-170 through 15-175 of this Code, then in
6 force, and further provided that the property's
7 assessment was not based on a reduced assessed value
8 resulting from a temporary irregularity in the
9 property.

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

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

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

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

1 her, or their principal dwelling place.

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

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

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

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

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

32 (1) If the equalized assessed value of a homestead
33 property for the current tax year is less than the previous
34 base homestead value for that property, then the current

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

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

11 (3) If the property is sold or ownership is otherwise
12 transferred, the base homestead value of the property shall
13 be adjusted as provided in subdivision (b) (3) (B).

14 (e) The amount of the exemption under this Section is the
15 equalized assessed value of the homestead property for the
16 current tax year, minus the adjusted homestead value, with the
17 following exceptions:

18 (1) The exemption under this Section shall not exceed
19 \$25,000 for any taxable year.

20 (2) In the case of homestead property that also
21 qualifies for the exemption under Section 15-172, the
22 property is entitled to the exemption under this Section,
23 limited to the amount of \$4,500 in Cook County or \$3,500 in
24 all other counties.

25 (f) In the case of an apartment building owned and operated
26 as a cooperative, or as a life care facility, that contains
27 residential units that qualify as homestead property under this
28 Section, the maximum cumulative exemption amount attributed to
29 the entire building or facility shall not exceed the sum of the
30 exemptions calculated for each qualified residential unit. The
31 cooperative association, management firm, or other person or
32 entity that manages or controls the cooperative apartment
33 building or life care facility shall credit the exemption
34 attributable to each residential unit only to the apportioned

1 tax liability of the owner or other person responsible for
2 payment of taxes as to that unit. Any person who willfully
3 refuses to so credit the exemption is guilty of a Class B
4 misdemeanor.

5 (g) When married persons maintain separate residences, the
6 exemption provided under this Section shall be claimed by only
7 one such person and for only one residence.

8 (h) In the event of a sale or other transfer in ownership
9 of the homestead property, the exemption under this Section
10 shall remain in effect for the remainder of the tax year in
11 which the sale or transfer occurs, but shall be calculated
12 using the new base homestead value as provided in subdivision
13 (b) (3) (B). The assessor may require the new owner of the
14 property to apply for the exemption in the following year.

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

24 (j) In counties with 3,000,000 or more inhabitants, the
25 provisions of this Section apply as follows:

26 (1) If the general assessment year for the property is
27 2003, this Section applies for assessment years 2003, 2004,
28 and 2005. Thereafter, the provisions of Section 15-175
29 apply.

30 (2) If the general assessment year for the property is
31 2004, this Section applies for assessment years 2004, 2005,
32 and 2006. Thereafter, the provisions of Section 15-175
33 apply.

34 (3) If the general assessment year for the property is

1 2005, this Section applies for assessment years 2005, 2006,
2 and 2007. Thereafter, the provisions of Section 15-175
3 apply.

4 In counties with less than 3,000,000 inhabitants, this
5 Section applies for assessment years 2003, 2004, and 2005.
6 Thereafter, the provisions of Section 15-175 apply.

7 (k) To be subject to the provisions of this Section in lieu
8 of Section 15-175, a county must adopt an ordinance to subject
9 itself to the provisions of this Section within 6 months after
10 the effective date of this amendatory Act of the 93rd General
11 Assembly.

12 (l) Notwithstanding Sections 6 and 8 of the State Mandates
13 Act, no reimbursement by the State is required for the
14 implementation of any mandate created by this Section.

15 (35 ILCS 200/20-178)

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

22 No interest shall be due under this Section for any time
23 prior to 60 days after the effective date of this amendatory
24 Act of the 91st General Assembly. For certificates of error
25 issued prior to the effective date of this amendatory Act of
26 the 91st General Assembly, the county collector shall pay the
27 taxpayer interest from 60 days after the effective date of this
28 amendatory Act of the 91st General Assembly until the date the
29 refund is paid. For certificates of error issued on or after
30 the effective date of this amendatory Act of the 91st General
31 Assembly, interest shall be paid from 60 days after the
32 certificate of error is issued by the chief county assessment
33 officer to the date the refund is made. To cover the cost of

1 interest, the county collector shall proportionately reduce
2 the distribution of taxes collected for each taxing district in
3 which the property is situated.

4 This Section shall not apply to any certificate of error
5 granting a homestead exemption under Section 15-170, 15-172, ~~or~~
6 15-175, or 15-176.

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

8 Section 15. The County Economic Development Project Area
9 Property Tax Allocation Act is amended by changing Section 6 as
10 follows:

11 (55 ILCS 85/6) (from Ch. 34, par. 7006)

12 Sec. 6. Filing with county clerk; certification of initial
13 equalized assessed value.

14 (a) The county shall file a certified copy of any ordinance
15 authorizing property tax allocation financing for an economic
16 development project area with the county clerk, and the county
17 clerk shall immediately thereafter determine (1) the most
18 recently ascertained equalized assessed value of each lot,
19 block, tract or parcel of real property within the economic
20 development project area from which shall be deducted the
21 homestead exemptions provided by Sections 15-170, ~~and~~ 15-175, ~~and~~
22 and 15-176 of the Property Tax Code, which value shall be the
23 "initial equalized assessed value" of each such piece of
24 property, and (2) the total equalized assessed value of all
25 taxable real property within the economic development project
26 area by adding together the most recently ascertained equalized
27 assessed value of each taxable lot, block, tract, or parcel of
28 real property within such economic development project area,
29 from which shall be deducted the homestead exemptions provided
30 by Sections 15-170, ~~and~~ 15-175, ~~and~~ and 15-176 of the Property Tax
31 Code. Upon receiving written notice from the Department of its
32 approval and certification of such economic development

1 project area, the county clerk shall immediately certify such
2 amount as the "total initial equalized assessed value" of the
3 taxable property within the economic development project area.

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

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

32 Section 20. The County Economic Development Project Area
33 Tax Increment Allocation Act of 1991 is amended by changing

1 Section 45 as follows:

2 (55 ILCS 90/45) (from Ch. 34, par. 8045)

3 Sec. 45. Filing with county clerk; certification of initial
4 equalized assessed value.

5 (a) A county that has by ordinance approved an economic
6 development plan, established an economic development project
7 area, and adopted tax increment allocation financing for that
8 area shall file certified copies of the ordinance or ordinances
9 with the county clerk. Upon receiving the ordinance or
10 ordinances, the county clerk shall immediately determine (i)
11 the most recently ascertained equalized assessed value of each
12 lot, block, tract, or parcel of real property within the
13 economic development project area from which shall be deducted
14 the homestead exemptions provided by Sections 15-170, ~~and~~
15 15-175, and 15-176 of the Property Tax Code (that value being
16 the "initial equalized assessed value" of each such piece of
17 property) and (ii) the total equalized assessed value of all
18 taxable real property within the economic development project
19 area by adding together the most recently ascertained equalized
20 assessed value of each taxable lot, block, tract, or parcel of
21 real property within the economic development project area,
22 from which shall be deducted the homestead exemptions provided
23 by Sections 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax
24 Code, and shall certify that amount as the "total initial
25 equalized assessed value" of the taxable real property within
26 the economic development project area.

27 (b) After the county clerk has certified the "total initial
28 equalized assessed value" of the taxable real property in the
29 economic development project area, then in respect to every
30 taxing district containing an economic development project
31 area, the county clerk or any other official required by law to
32 ascertain the amount of the equalized assessed value of all
33 taxable property within the taxing district for the purpose of

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

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

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

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

25 Sec. 11-74.4-8. Tax increment allocation financing. A
26 municipality may not adopt tax increment financing in a
27 redevelopment project area after the effective date of this
28 amendatory Act of 1997 that will encompass an area that is
29 currently included in an enterprise zone created under the
30 Illinois Enterprise Zone Act unless that municipality,
31 pursuant to Section 5.4 of the Illinois Enterprise Zone Act,
32 amends the enterprise zone designating ordinance to limit the

1 eligibility for tax abatements as provided in Section 5.4.1 of
2 the Illinois Enterprise Zone Act. A municipality, at the time a
3 redevelopment project area is designated, may adopt tax
4 increment allocation financing by passing an ordinance
5 providing that the ad valorem taxes, if any, arising from the
6 levies upon taxable real property in such redevelopment project
7 area by taxing districts and tax rates determined in the manner
8 provided in paragraph (c) of Section 11-74.4-9 each year after
9 the effective date of the ordinance until redevelopment project
10 costs and all municipal obligations financing redevelopment
11 project costs incurred under this Division have been paid shall
12 be divided as follows:

13 (a) That portion of taxes levied upon each taxable lot,
14 block, tract or parcel of real property which is attributable
15 to the lower of the current equalized assessed value or the
16 initial equalized assessed value of each such taxable lot,
17 block, tract or parcel of real property in the redevelopment
18 project area shall be allocated to and when collected shall be
19 paid by the county collector to the respective affected taxing
20 districts in the manner required by law in the absence of the
21 adoption of tax increment allocation financing.

22 (b) Except from a tax levied by a township to retire bonds
23 issued to satisfy court-ordered damages, that portion, if any,
24 of such taxes which is attributable to the increase in the
25 current equalized assessed valuation of each taxable lot,
26 block, tract or parcel of real property in the redevelopment
27 project area over and above the initial equalized assessed
28 value of each property in the project area shall be allocated
29 to and when collected shall be paid to the municipal treasurer
30 who shall deposit said taxes into a special fund called the
31 special tax allocation fund of the municipality for the purpose
32 of paying redevelopment project costs and obligations incurred
33 in the payment thereof. In any county with a population of
34 3,000,000 or more that has adopted a procedure for collecting

1 taxes that provides for one or more of the installments of the
2 taxes to be billed and collected on an estimated basis, the
3 municipal treasurer shall be paid for deposit in the special
4 tax allocation fund of the municipality, from the taxes
5 collected from estimated bills issued for property in the
6 redevelopment project area, the difference between the amount
7 actually collected from each taxable lot, block, tract, or
8 parcel of real property within the redevelopment project area
9 and an amount determined by multiplying the rate at which taxes
10 were last extended against the taxable lot, block, track, or
11 parcel of real property in the manner provided in subsection
12 (c) of Section 11-74.4-9 by the initial equalized assessed
13 value of the property divided by the number of installments in
14 which real estate taxes are billed and collected within the
15 county; provided that the payments on or before December 31,
16 1999 to a municipal treasurer shall be made only if each of the
17 following conditions are met:

18 (1) The total equalized assessed value of the
19 redevelopment project area as last determined was not less
20 than 175% of the total initial equalized assessed value.

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

25 (3) The municipal clerk has certified to the county
26 clerk that the municipality has issued its obligations to
27 which there has been pledged the incremental property taxes
28 of the redevelopment project area or taxes levied and
29 collected on any or all property in the municipality or the
30 full faith and credit of the municipality to pay or secure
31 payment for all or a portion of the redevelopment project
32 costs. The certification shall be filed annually no later
33 than September 1 for the estimated taxes to be distributed
34 in the following year; however, for the year 1992 the

1 certification shall be made at any time on or before March
2 31, 1992.

3 (4) The municipality has not requested that the total
4 initial equalized assessed value of real property be
5 adjusted as provided in subsection (b) of Section
6 11-74.4-9.

7 The conditions of paragraphs (1) through (4) do not apply
8 after December 31, 1999 to payments to a municipal treasurer
9 made by a county with 3,000,000 or more inhabitants that has
10 adopted an estimated billing procedure for collecting taxes. If
11 a county that has adopted the estimated billing procedure makes
12 an erroneous overpayment of tax revenue to the municipal
13 treasurer, then the county may seek a refund of that
14 overpayment. The county shall send the municipal treasurer a
15 notice of liability for the overpayment on or before the
16 mailing date of the next real estate tax bill within the
17 county. The refund shall be limited to the amount of the
18 overpayment.

19 It is the intent of this Division that after the effective
20 date of this amendatory Act of 1988 a municipality's own ad
21 valorem tax arising from levies on taxable real property be
22 included in the determination of incremental revenue in the
23 manner provided in paragraph (c) of Section 11-74.4-9. If the
24 municipality does not extend such a tax, it shall annually
25 deposit in the municipality's Special Tax Increment Fund an
26 amount equal to 10% of the total contributions to the fund from
27 all other taxing districts in that year. The annual 10% deposit
28 required by this paragraph shall be limited to the actual
29 amount of municipally produced incremental tax revenues
30 available to the municipality from taxpayers located in the
31 redevelopment project area in that year if: (a) the plan for
32 the area restricts the use of the property primarily to
33 industrial purposes, (b) the municipality establishing the
34 redevelopment project area is a home-rule community with a 1990

1 population of between 25,000 and 50,000, (c) the municipality
2 is wholly located within a county with a 1990 population of
3 over 750,000 and (d) the redevelopment project area was
4 established by the municipality prior to June 1, 1990. This
5 payment shall be in lieu of a contribution of ad valorem taxes
6 on real property. If no such payment is made, any redevelopment
7 project area of the municipality shall be dissolved.

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

22 (1) That portion of the taxes levied upon each taxable
23 lot, block, tract or parcel of real property which is
24 attributable to the lower of the current equalized assessed
25 value or "current equalized assessed value as adjusted" or
26 the initial equalized assessed value of each such taxable
27 lot, block, tract, or parcel of real property existing at
28 the time tax increment financing was adopted, minus the
29 total current homestead exemptions provided by Sections
30 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax Code in
31 the redevelopment project area shall be allocated to and
32 when collected shall be paid by the county collector to the
33 respective affected taxing districts in the manner
34 required by law in the absence of the adoption of tax

1 increment allocation financing.

2 (2) That portion, if any, of such taxes which is
3 attributable to the increase in the current equalized
4 assessed valuation of each taxable lot, block, tract, or
5 parcel of real property in the redevelopment project area,
6 over and above the initial equalized assessed value of each
7 property existing at the time tax increment financing was
8 adopted, minus the total current homestead exemptions
9 pertaining to each piece of property provided by Sections
10 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax Code in
11 the redevelopment project area, shall be allocated to and
12 when collected shall be paid to the municipal Treasurer,
13 who shall deposit said taxes into a special fund called the
14 special tax allocation fund of the municipality for the
15 purpose of paying redevelopment project costs and
16 obligations incurred in the payment thereof.

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

28 Whenever a municipality issues bonds for the purpose of
29 financing redevelopment project costs, such municipality may
30 provide by ordinance for the appointment of a trustee, which
31 may be any trust company within the State, and for the
32 establishment of such funds or accounts to be maintained by
33 such trustee as the municipality shall deem necessary to
34 provide for the security and payment of the bonds. If such

1 municipality provides for the appointment of a trustee, such
2 trustee shall be considered the assignee of any payments
3 assigned by the municipality pursuant to such ordinance and
4 this Section. Any amounts paid to such trustee as assignee
5 shall be deposited in the funds or accounts established
6 pursuant to such trust agreement, and shall be held by such
7 trustee in trust for the benefit of the holders of the bonds,
8 and such holders shall have a lien on and a security interest
9 in such funds or accounts so long as the bonds remain
10 outstanding and unpaid. Upon retirement of the bonds, the
11 trustee shall pay over any excess amounts held to the
12 municipality for deposit in the special tax allocation fund.

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

31 Upon the payment of all redevelopment project costs, the
32 retirement of obligations, the distribution of any excess
33 monies pursuant to this Section, and final closing of the books
34 and records of the redevelopment project area, the municipality

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

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

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

28 (65 ILCS 5/11-74.4-9) (from Ch. 24, par. 11-74.4-9)

29 Sec. 11-74.4-9. Equalized assessed value of property.

30 (a) If a municipality by ordinance provides for tax
31 increment allocation financing pursuant to Section 11-74.4-8,
32 the county clerk immediately thereafter shall determine (1) the
33 most recently ascertained equalized assessed value of each lot,

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

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

1 promptly certify such amount as the "total initial equalized
2 assessed value as adjusted" of the taxable real property within
3 such redevelopment project area.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 real property in the redevelopment project area.

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

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

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

18 (65 ILCS 110/45)

19 Sec. 45. Filing with county clerk; certification of initial
20 equalized assessed value.

21 (a) A municipality that has by ordinance approved an
22 economic development plan, established an economic development
23 project area, and adopted tax increment allocation financing
24 for that area shall file certified copies of the ordinance or
25 ordinances with the county clerk. Upon receiving the ordinance
26 or ordinances, the county clerk shall immediately determine (i)
27 the most recently ascertained equalized assessed value of each
28 lot, block, tract, or parcel of real property within the
29 economic development project area from which shall be deducted
30 the homestead exemptions provided by Sections 15-170, ~~and~~
31 15-175, and 15-176 of the Property Tax Code (that value being
32 the "initial equalized assessed value" of each such piece of

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

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

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

4 (Source: P.A. 89-176, eff. 1-1-96.)

5 Section 35. The School Code is amended by changing Section
6 18-8.05 as follows:

7 (105 ILCS 5/18-8.05)

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

11 (A) General Provisions.

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

28 (2) In addition to general State financial aid, school
29 districts with specified levels or concentrations of pupils
30 from low income households are eligible to receive supplemental
31 general State financial aid grants as provided pursuant to

1 subsection (H). The supplemental State aid grants provided for
2 school districts under subsection (H) shall be appropriated for
3 distribution to school districts as part of the same line item
4 in which the general State financial aid of school districts is
5 appropriated under this Section.

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

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

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

28 (c) If a school district operates a full year school
29 under Section 10-19.1, the general State aid to the school
30 district shall be determined by the State Board of
31 Education in accordance with this Section as near as may be
32 applicable.

33 (d) (Blank).

34 (4) Except as provided in subsections (H) and (L), the

1 board of any district receiving any of the grants provided for
2 in this Section may apply those funds to any fund so received
3 for which that board is authorized to make expenditures by law.

4 School districts are not required to exert a minimum
5 Operating Tax Rate in order to qualify for assistance under
6 this Section.

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

9 (a) "Average Daily Attendance": A count of pupil
10 attendance in school, averaged as provided for in
11 subsection (C) and utilized in deriving per pupil financial
12 support levels.

13 (b) "Available Local Resources": A computation of
14 local financial support, calculated on the basis of Average
15 Daily Attendance and derived as provided pursuant to
16 subsection (D).

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

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

26 (e) "Operating Tax Rate": All school district property
27 taxes extended for all purposes, except Bond and Interest,
28 Summer School, Rent, Capital Improvement, and Vocational
29 Education Building purposes.

30 (B) Foundation Level.

31 (1) The Foundation Level is a figure established by the
32 State representing the minimum level of per pupil financial
33 support that should be available to provide for the basic

1 education of each pupil in Average Daily Attendance. As set
2 forth in this Section, each school district is assumed to exert
3 a sufficient local taxing effort such that, in combination with
4 the aggregate of general State financial aid provided the
5 district, an aggregate of State and local resources are
6 available to meet the basic education needs of pupils in the
7 district.

8 (2) For the 1998-1999 school year, the Foundation Level of
9 support is \$4,225. For the 1999-2000 school year, the
10 Foundation Level of support is \$4,325. For the 2000-2001 school
11 year, the Foundation Level of support is \$4,425.

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

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

18 (C) Average Daily Attendance.

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

30 (2) The Average Daily Attendance figures utilized in
31 subsection (E) shall be the requisite attendance data for the
32 school year immediately preceding the school year for which
33 general State aid is being calculated or the average of the

1 attendance data for the 3 preceding school years, whichever is
2 greater. The Average Daily Attendance figures utilized in
3 subsection (H) 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.

6 (D) Available Local Resources.

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

15 (2) In determining a school district's revenue from local
16 property taxes, the State Board of Education shall utilize the
17 equalized assessed valuation of all taxable property of each
18 school district as of September 30 of the previous year. The
19 equalized assessed valuation utilized shall be obtained and
20 determined as provided in subsection (G).

21 (3) For school districts maintaining grades kindergarten
22 through 12, local property tax revenues per pupil shall be
23 calculated as the product of the applicable equalized assessed
24 valuation for the district multiplied by 3.00%, and divided by
25 the district's Average Daily Attendance figure. For school
26 districts maintaining grades kindergarten through 8, local
27 property tax revenues per pupil shall be calculated as the
28 product of the applicable equalized assessed valuation for the
29 district multiplied by 2.30%, and divided by the district's
30 Average Daily Attendance figure. For school districts
31 maintaining grades 9 through 12, local property tax revenues
32 per pupil shall be the applicable equalized assessed valuation
33 of the district multiplied by 1.05%, and divided by the

1 district's Average Daily Attendance figure.

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

12 (E) Computation of General State Aid.

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

16 (2) For any school district for which Available Local
17 Resources per pupil is less than the product of 0.93 times the
18 Foundation Level, general State aid for that district shall be
19 calculated as an amount equal to the Foundation Level minus
20 Available Local Resources, multiplied by the Average Daily
21 Attendance of the school district.

22 (3) For any school district for which Available Local
23 Resources per pupil is equal to or greater than the product of
24 0.93 times the Foundation Level and less than the product of
25 1.75 times the Foundation Level, the general State aid per
26 pupil shall be a decimal proportion of the Foundation Level
27 derived using a linear algorithm. Under this linear algorithm,
28 the calculated general State aid per pupil shall decline in
29 direct linear fashion from 0.07 times the Foundation Level for
30 a school district with Available Local Resources equal to the
31 product of 0.93 times the Foundation Level, to 0.05 times the
32 Foundation Level for a school district with Available Local
33 Resources equal to the product of 1.75 times the Foundation

1 Level. The allocation of general State aid for school districts
2 subject to this paragraph 3 shall be the calculated general
3 State aid per pupil figure multiplied by the Average Daily
4 Attendance of the school district.

5 (4) For any school district for which Available Local
6 Resources per pupil equals or exceeds the product of 1.75 times
7 the Foundation Level, the general State aid for the school
8 district shall be calculated as the product of \$218 multiplied
9 by the Average Daily Attendance of the school district.

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

20 (F) Compilation of Average Daily Attendance.

21 (1) Each school district shall, by July 1 of each year,
22 submit to the State Board of Education, on forms prescribed by
23 the State Board of Education, attendance figures for the school
24 year that began in the preceding calendar year. The attendance
25 information so transmitted shall identify the average daily
26 attendance figures for each month of the school year. Beginning
27 with the general State aid claim form for the 2002-2003 school
28 year, districts shall calculate Average Daily Attendance as
29 provided in subdivisions (a), (b), and (c) of this paragraph
30 (1).

31 (a) In districts that do not hold year-round classes,
32 days of attendance in August shall be added to the month of
33 September and any days of attendance in June shall be added

1 to the month of May.

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

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

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

27 Days of attendance by tuition pupils shall be accredited
28 only to the districts that pay the tuition to a recognized
29 school.

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

33 (a) Pupils regularly enrolled in a public school for
34 only a part of the school day may be counted on the basis

1 of 1/6 day for every class hour of instruction of 40
2 minutes or more attended pursuant to such enrollment,
3 unless a pupil is enrolled in a block-schedule format of 80
4 minutes or more of instruction, in which case the pupil may
5 be counted on the basis of the proportion of minutes of
6 school work completed each day to the minimum number of
7 minutes that school work is required to be held that day.

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

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

17 (d) A session of 3 or more clock hours may be counted
18 as a day of attendance (1) when the remainder of the school
19 day or at least 2 hours in the evening of that day is
20 utilized for an in-service training program for teachers,
21 up to a maximum of 5 days per school year of which a
22 maximum of 4 days of such 5 days may be used for
23 parent-teacher conferences, provided a district conducts
24 an in-service training program for teachers which has been
25 approved by the State Superintendent of Education; or, in
26 lieu of 4 such days, 2 full days may be used, in which
27 event each such day may be counted as a day of attendance;
28 and (2) when days in addition to those provided in item (1)
29 are scheduled by a school pursuant to its school
30 improvement plan adopted under Article 34 or its revised or
31 amended school improvement plan adopted under Article 2,
32 provided that (i) such sessions of 3 or more clock hours
33 are scheduled to occur at regular intervals, (ii) the
34 remainder of the school days in which such sessions occur

1 are utilized for in-service training programs or other
2 staff development activities for teachers, and (iii) a
3 sufficient number of minutes of school work under the
4 direct supervision of teachers are added to the school days
5 between such regularly scheduled sessions to accumulate
6 not less than the number of minutes by which such sessions
7 of 3 or more clock hours fall short of 5 clock hours. Any
8 full days used for the purposes of this paragraph shall not
9 be considered for computing average daily attendance. Days
10 scheduled for in-service training programs, staff
11 development activities, or parent-teacher conferences may
12 be scheduled separately for different grade levels and
13 different attendance centers of the district.

14 (e) A session of not less than one clock hour of
15 teaching hospitalized or homebound pupils on-site or by
16 telephone to the classroom may be counted as 1/2 day of
17 attendance, however these pupils must receive 4 or more
18 clock hours of instruction to be counted for a full day of
19 attendance.

20 (f) A session of at least 4 clock hours may be counted
21 as a day of attendance for first grade pupils, and pupils
22 in full day kindergartens, and a session of 2 or more hours
23 may be counted as 1/2 day of attendance by pupils in
24 kindergartens which provide only 1/2 day of attendance.

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

32 (h) A recognized kindergarten which provides for only
33 1/2 day of attendance by each pupil shall not have more
34 than 1/2 day of attendance counted in any one day. However,

1 kindergartens may count 2 1/2 days of attendance in any 5
2 consecutive school days. When a pupil attends such a
3 kindergarten for 2 half days on any one school day, the
4 pupil shall have the following day as a day absent from
5 school, unless the school district obtains permission in
6 writing from the State Superintendent of Education.
7 Attendance at kindergartens which provide for a full day of
8 attendance by each pupil shall be counted the same as
9 attendance by first grade pupils. Only the first year of
10 attendance in one kindergarten shall be counted, except in
11 case of children who entered the kindergarten in their
12 fifth year whose educational development requires a second
13 year of kindergarten as determined under the rules and
14 regulations of the State Board of Education.

15 (G) Equalized Assessed Valuation Data.

16 (1) For purposes of the calculation of Available Local
17 Resources required pursuant to subsection (D), the State Board
18 of Education shall secure from the Department of Revenue the
19 value as equalized or assessed by the Department of Revenue of
20 all taxable property of every school district, together with
21 (i) the applicable tax rate used in extending taxes for the
22 funds of the district as of September 30 of the previous year
23 and (ii) the limiting rate for all school districts subject to
24 property tax extension limitations as imposed under the
25 Property Tax Extension Limitation Law.

26 The Department of Revenue shall add to the equalized
27 assessed value of all taxable property of each school district
28 situated entirely or partially within a county subject to the
29 alternative general homestead exemption provisions of Section
30 15-176 of the Property Tax Code an amount equal to the total
31 amount by which the homestead exemption allowed under Section
32 15-176 of the Property Tax Code for real property situated in
33 that school district exceeds the total amount that would have

1 been allowed in that school district if the maximum reduction
2 under Section 15-176 was \$4,500 in Cook County or \$3,500 in all
3 other counties. The county clerk of any county subject to the
4 alternative general homestead exemption provisions of Section
5 15-176 of the Property Tax Code shall annually calculate and
6 certify to the Department of Revenue for each school district
7 all homestead exemption amounts under Section 15-176 of the
8 Property Tax Code. It is the intent of this paragraph that if
9 the general homestead exemption for a parcel of property is
10 determined under Section 15-176 of the Property Tax Code rather
11 than Section 15-175, then the calculation of Available Local
12 Resources shall not be affected by the difference, if any,
13 between the amount of the general homestead exemption allowed
14 for that parcel of property under Section 15-176 of the
15 Property Tax Code and the amount that would have been allowed
16 had the general homestead exemption for that parcel of property
17 been determined under Section 15-175 of the Property Tax Code.

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

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

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

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

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

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

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

34 "Budget Year": The school year for which general State

1 aid is calculated and awarded under subsection (E).

2 "Base Tax Year": The property tax levy year used to
3 calculate the Budget Year allocation of general State 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 Property
10 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 Operating
14 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 defined
20 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 as
27 calculated by the State Board of Education shall be equal to
28 the product of the district's 1996 Equalized Assessed Valuation
29 and the district's Extension Limitation Ratio. For the
30 2000-2001 school year and each school year thereafter, the
31 Extension Limitation Equalized Assessed Valuation of a school
32 district as calculated by the State Board of Education shall be
33 equal to the product of the Equalized Assessed Valuation last
34 used in the calculation of general State aid and the district's

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

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

30 (5) For school districts having a majority of their
31 equalized assessed valuation in any county except Cook, DuPage,
32 Kane, Lake, McHenry, or Will, if the amount of general State
33 aid allocated to the school district for the 1999-2000 school
34 year under the provisions of subsection (E), (H), and (J) of

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

8 (H) Supplemental General State Aid.

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

29 (1.5) This paragraph (1.5) applies only to those school
30 years preceding the 2003-2004 school year. For purposes of this
31 subsection (H), the term "Low-Income Concentration Level"
32 shall be the low-income eligible pupil count from the most
33 recently available federal census divided by the Average Daily

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

30 (1.10) This paragraph (1.10) applies to the 2003-2004
31 school year and each school year thereafter. For purposes of
32 this subsection (H), the term "Low-Income Concentration Level"
33 shall, for each fiscal year, be the low-income eligible pupil
34 count as of July 1 of the immediately preceding fiscal year (as

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

10 (2) Supplemental general State aid pursuant to this
11 subsection (H) shall be provided as follows for the 1998-1999,
12 1999-2000, and 2000-2001 school years only:

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

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

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

25 (d) For any school district with a Low Income
26 Concentration Level of 60% or more, the grant for the
27 1998-99 school year shall be \$1,900 multiplied by the low
28 income eligible pupil count.

29 (e) For the 1999-2000 school year, the per pupil amount
30 specified in subparagraphs (b), (c), and (d) immediately
31 above shall be increased to \$1,243, \$1,600, and \$2,000,
32 respectively.

33 (f) For the 2000-2001 school year, the per pupil
34 amounts specified in subparagraphs (b), (c), and (d)

1 immediately above shall be \$1,273, \$1,640, and \$2,050,
2 respectively.

3 (2.5) Supplemental general State aid pursuant to this
4 subsection (H) shall be provided as follows for the 2002-2003
5 school year:

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

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

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

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

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

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

30 (2.10) Except as otherwise provided, supplemental general
31 State aid pursuant to this subsection (H) shall be provided as
32 follows for the 2003-2004 school year and each school year
33 thereafter:

34 (a) For any school district with a Low Income

1 Concentration Level of 15% or less, the grant for each
2 school year shall be \$355 multiplied by the low income
3 eligible pupil count.

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

9 For the 2003-2004 school year only, the grant shall be no
10 less than the grant for the 2002-2003 school year. For the
11 2004-2005 school year only, the grant shall be no less than the
12 grant for the 2002-2003 school year multiplied by 0.66. For the
13 2005-2006 school year only, the grant shall be no less than the
14 grant for the 2002-2003 school year multiplied by 0.33.

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

33 (3) School districts with an Average Daily Attendance of
34 more than 1,000 and less than 50,000 that qualify for

1 supplemental general State aid pursuant to this subsection
2 shall submit a plan to the State Board of Education prior to
3 October 30 of each year for the use of the funds resulting from
4 this grant of supplemental general State aid for the
5 improvement of instruction in which priority is given to
6 meeting the education needs of disadvantaged children. Such
7 plan shall be submitted in accordance with rules and
8 regulations promulgated by the State Board of Education.

9 (4) School districts with an Average Daily Attendance of
10 50,000 or more that qualify for supplemental general State aid
11 pursuant to this subsection shall be required to distribute
12 from funds available pursuant to this Section, no less than
13 \$261,000,000 in accordance with the following requirements:

14 (a) The required amounts shall be distributed to the
15 attendance centers within the district in proportion to the
16 number of pupils enrolled at each attendance center who are
17 eligible to receive free or reduced-price lunches or
18 breakfasts under the federal Child Nutrition Act of 1966
19 and under the National School Lunch Act during the
20 immediately preceding school year.

21 (b) The distribution of these portions of supplemental
22 and general State aid among attendance centers according to
23 these requirements shall not be compensated for or
24 contravened by adjustments of the total of other funds
25 appropriated to any attendance centers, and the Board of
26 Education shall utilize funding from one or several sources
27 in order to fully implement this provision annually prior
28 to the opening of school.

29 (c) Each attendance center shall be provided by the
30 school district a distribution of noncategorical funds and
31 other categorical funds to which an attendance center is
32 entitled under law in order that the general State aid and
33 supplemental general State aid provided by application of
34 this subsection supplements rather than supplants the

1 noncategorical funds and other categorical funds provided
2 by the school district to the attendance centers.

3 (d) Any funds made available under this subsection that
4 by reason of the provisions of this subsection are not
5 required to be allocated and provided to attendance centers
6 may be used and appropriated by the board of the district
7 for any lawful school purpose.

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

21 (f) Each district subject to the provisions of this
22 subdivision (H) (4) shall submit an acceptable plan to meet
23 the educational needs of disadvantaged children, in
24 compliance with the requirements of this paragraph, to the
25 State Board of Education prior to July 15 of each year.
26 This plan shall be consistent with the decisions of local
27 school councils concerning the school expenditure plans
28 developed in accordance with part 4 of Section 34-2.3. The
29 State Board shall approve or reject the plan within 60 days
30 after its submission. If the plan is rejected, the district
31 shall give written notice of intent to modify the plan
32 within 15 days of the notification of rejection and then
33 submit a modified plan within 30 days after the date of the
34 written notice of intent to modify. Districts may amend

1 approved plans pursuant to rules promulgated by the State
2 Board of Education.

3 Upon notification by the State Board of Education that
4 the district has not submitted a plan prior to July 15 or a
5 modified plan within the time period specified herein, the
6 State aid funds affected by that plan or modified plan
7 shall be withheld by the State Board of Education until a
8 plan or modified plan is submitted.

9 If the district fails to distribute State aid to
10 attendance centers in accordance with an approved plan, the
11 plan for the following year shall allocate funds, in
12 addition to the funds otherwise required by this
13 subsection, to those attendance centers which were
14 underfunded during the previous year in amounts equal to
15 such underfunding.

16 For purposes of determining compliance with this
17 subsection in relation to the requirements of attendance
18 center funding, each district subject to the provisions of
19 this subsection shall submit as a separate document by
20 December 1 of each year a report of expenditure data for
21 the prior year in addition to any modification of its
22 current plan. If it is determined that there has been a
23 failure to comply with the expenditure provisions of this
24 subsection regarding contravention or supplanting, the
25 State Superintendent of Education shall, within 60 days of
26 receipt of the report, notify the district and any affected
27 local school council. The district shall within 45 days of
28 receipt of that notification inform the State
29 Superintendent of Education of the remedial or corrective
30 action to be taken, whether by amendment of the current
31 plan, if feasible, or by adjustment in the plan for the
32 following year. Failure to provide the expenditure report
33 or the notification of remedial or corrective action in a
34 timely manner shall result in a withholding of the affected

1 funds.

2 The State Board of Education shall promulgate rules and
3 regulations to implement the provisions of this
4 subsection. No funds shall be released under this
5 subdivision (H) (4) to any district that has not submitted a
6 plan that has been approved by the State Board of
7 Education.

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

9 (1) For a new school district formed by combining property
10 included totally within 2 or more previously existing school
11 districts, for its first year of existence the general State
12 aid and supplemental general State aid calculated under this
13 Section shall be computed for the new district and for the
14 previously existing districts for which property is totally
15 included within the new district. If the computation on the
16 basis of the previously existing districts is greater, a
17 supplementary payment equal to the difference shall be made for
18 the first 4 years of existence of the new district.

19 (2) For a school district which annexes all of the
20 territory of one or more entire other school districts, for the
21 first year during which the change of boundaries attributable
22 to such annexation becomes effective for all purposes as
23 determined under Section 7-9 or 7A-8, the general State aid and
24 supplemental general State aid calculated under this Section
25 shall be computed for the annexing district as constituted
26 after the annexation and for the annexing and each annexed
27 district as constituted prior to the annexation; and if the
28 computation on the basis of the annexing and annexed districts
29 as constituted prior to the annexation is greater, a
30 supplementary payment equal to the difference shall be made for
31 the first 4 years of existence of the annexing school district
32 as constituted upon such annexation.

33 (3) For 2 or more school districts which annex all of the

1 territory of one or more entire other school districts, and for
2 2 or more community unit districts which result upon the
3 division (pursuant to petition under Section 11A-2) of one or
4 more other unit school districts into 2 or more parts and which
5 together include all of the parts into which such other unit
6 school district or districts are so divided, for the first year
7 during which the change of boundaries attributable to such
8 annexation or division becomes effective for all purposes as
9 determined under Section 7-9 or 11A-10, as the case may be, the
10 general State aid and supplemental general State aid calculated
11 under this Section shall be computed for each annexing or
12 resulting district as constituted after the annexation or
13 division and for each annexing and annexed district, or for
14 each resulting and divided district, as constituted prior to
15 the annexation or division; and if the aggregate of the general
16 State aid and supplemental general State aid as so computed for
17 the annexing or resulting districts as constituted after the
18 annexation or division is less than the aggregate of the
19 general State aid and supplemental general State aid as so
20 computed for the annexing and annexed districts, or for the
21 resulting and divided districts, as constituted prior to the
22 annexation or division, then a supplementary payment equal to
23 the difference shall be made and allocated between or among the
24 annexing or resulting districts, as constituted upon such
25 annexation or division, for the first 4 years of their
26 existence. The total difference payment shall be allocated
27 between or among the annexing or resulting districts in the
28 same ratio as the pupil enrollment from that portion of the
29 annexed or divided district or districts which is annexed to or
30 included in each such annexing or resulting district bears to
31 the total pupil enrollment from the entire annexed or divided
32 district or districts, as such pupil enrollment is determined
33 for the school year last ending prior to the date when the
34 change of boundaries attributable to the annexation or division

1 becomes effective for all purposes. The amount of the total
2 difference payment and the amount thereof to be allocated to
3 the annexing or resulting districts shall be computed by the
4 State Board of Education on the basis of pupil enrollment and
5 other data which shall be certified to the State Board of
6 Education, on forms which it shall provide for that purpose, by
7 the regional superintendent of schools for each educational
8 service region in which the annexing and annexed districts, or
9 resulting and divided districts are located.

10 (3.5) Claims for financial assistance under this
11 subsection (I) shall not be recomputed except as expressly
12 provided under this Section.

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

16 (J) Supplementary Grants in Aid.

17 (1) Notwithstanding any other provisions of this Section,
18 the amount of the aggregate general State aid in combination
19 with supplemental general State aid under this Section for
20 which each school district is eligible shall be no less than
21 the amount of the aggregate general State aid entitlement that
22 was received by the district under Section 18-8 (exclusive of
23 amounts received under subsections 5(p) and 5(p-5) of that
24 Section) for the 1997-98 school year, pursuant to the
25 provisions of that Section as it was then in effect. If a
26 school district qualifies to receive a supplementary payment
27 made under this subsection (J), the amount of the aggregate
28 general State aid in combination with supplemental general
29 State aid under this Section which that district is eligible to
30 receive for each school year shall be no less than the amount
31 of the aggregate general State aid entitlement that was
32 received by the district under Section 18-8 (exclusive of
33 amounts received under subsections 5(p) and 5(p-5) of that

1 Section) for the 1997-1998 school year, pursuant to the
2 provisions of that Section as it was then in effect.

3 (2) If, as provided in paragraph (1) of this subsection
4 (J), a school district is to receive aggregate general State
5 aid in combination with supplemental general State aid under
6 this Section for the 1998-99 school year and any subsequent
7 school year that in any such school year is less than the
8 amount of the aggregate general State aid entitlement that the
9 district received for the 1997-98 school year, the school
10 district shall also receive, from a separate appropriation made
11 for purposes of this subsection (J), a supplementary payment
12 that is equal to the amount of the difference in the aggregate
13 State aid figures as described in paragraph (1).

14 (3) (Blank).

15 (K) Grants to Laboratory and Alternative Schools.

16 In calculating the amount to be paid to the governing board
17 of a public university that operates a laboratory school under
18 this Section or to any alternative school that is operated by a
19 regional superintendent of schools, the State Board of
20 Education shall require by rule such reporting requirements as
21 it deems necessary.

22 As used in this Section, "laboratory school" means a public
23 school which is created and operated by a public university and
24 approved by the State Board of Education. The governing board
25 of a public university which receives funds from the State
26 Board under this subsection (K) may not increase the number of
27 students enrolled in its laboratory school from a single
28 district, if that district is already sending 50 or more
29 students, except under a mutual agreement between the school
30 board of a student's district of residence and the university
31 which operates the laboratory school. A laboratory school may
32 not have more than 1,000 students, excluding students with
33 disabilities in a special education program.

1 As used in this Section, "alternative school" means a
2 public school which is created and operated by a Regional
3 Superintendent of Schools and approved by the State Board of
4 Education. Such alternative schools may offer courses of
5 instruction for which credit is given in regular school
6 programs, courses to prepare students for the high school
7 equivalency testing program or vocational and occupational
8 training. A regional superintendent of schools may contract
9 with a school district or a public community college district
10 to operate an alternative school. An alternative school serving
11 more than one educational service region may be established by
12 the regional superintendents of schools of the affected
13 educational service regions. An alternative school serving
14 more than one educational service region may be operated under
15 such terms as the regional superintendents of schools of those
16 educational service regions may agree.

17 Each laboratory and alternative school shall file, on forms
18 provided by the State Superintendent of Education, an annual
19 State aid claim which states the Average Daily Attendance of
20 the school's students by month. The best 3 months' Average
21 Daily Attendance shall be computed for each school. The general
22 State aid entitlement shall be computed by multiplying the
23 applicable Average Daily Attendance by the Foundation Level as
24 determined under this Section.

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

26 (1) For a school district operating under the financial
27 supervision of an Authority created under Article 34A, the
28 general State aid otherwise payable to that district under this
29 Section, but not the supplemental general State aid, shall be
30 reduced by an amount equal to the budget for the operations of
31 the Authority as certified by the Authority to the State Board
32 of Education, and an amount equal to such reduction shall be
33 paid to the Authority created for such district for its

1 operating expenses in the manner provided in Section 18-11. The
2 remainder of general State school aid for any such district
3 shall be paid in accordance with Article 34A when that Article
4 provides for a disposition other than that provided by this
5 Article.

6 (2) (Blank).

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

9 (M) Education Funding Advisory Board.

10 The Education Funding Advisory Board, hereinafter in this
11 subsection (M) referred to as the "Board", is hereby created.
12 The Board shall consist of 5 members who are appointed by the
13 Governor, by and with the advice and consent of the Senate. The
14 members appointed shall include representatives of education,
15 business, and the general public. One of the members so
16 appointed shall be designated by the Governor at the time the
17 appointment is made as the chairperson of the Board. The
18 initial members of the Board may be appointed any time after
19 the effective date of this amendatory Act of 1997. The regular
20 term of each member of the Board shall be for 4 years from the
21 third Monday of January of the year in which the term of the
22 member's appointment is to commence, except that of the 5
23 initial members appointed to serve on the Board, the member who
24 is appointed as the chairperson shall serve for a term that
25 commences on the date of his or her appointment and expires on
26 the third Monday of January, 2002, and the remaining 4 members,
27 by lots drawn at the first meeting of the Board that is held
28 after all 5 members are appointed, shall determine 2 of their
29 number to serve for terms that commence on the date of their
30 respective appointments and expire on the third Monday of
31 January, 2001, and 2 of their number to serve for terms that
32 commence on the date of their respective appointments and
33 expire on the third Monday of January, 2000. All members

1 appointed to serve on the Board shall serve until their
2 respective successors are appointed and confirmed. Vacancies
3 shall be filled in the same manner as original appointments. If
4 a vacancy in membership occurs at a time when the Senate is not
5 in session, the Governor shall make a temporary appointment
6 until the next meeting of the Senate, when he or she shall
7 appoint, by and with the advice and consent of the Senate, a
8 person to fill that membership for the unexpired term. If the
9 Senate is not in session when the initial appointments are
10 made, those appointments shall be made as in the case of
11 vacancies.

12 The Education Funding Advisory Board shall be deemed
13 established, and the initial members appointed by the Governor
14 to serve as members of the Board shall take office, on the date
15 that the Governor makes his or her appointment of the fifth
16 initial member of the Board, whether those initial members are
17 then serving pursuant to appointment and confirmation or
18 pursuant to temporary appointments that are made by the
19 Governor as in the case of vacancies.

20 The State Board of Education shall provide such staff
21 assistance to the Education Funding Advisory Board as is
22 reasonably required for the proper performance by the Board of
23 its responsibilities.

24 For school years after the 2000-2001 school year, the
25 Education Funding Advisory Board, in consultation with the
26 State Board of Education, shall make recommendations as
27 provided in this subsection (M) to the General Assembly for the
28 foundation level under subdivision (B)(3) of this Section and
29 for the supplemental general State aid grant level under
30 subsection (H) of this Section for districts with high
31 concentrations of children from poverty. The recommended
32 foundation level shall be determined based on a methodology
33 which incorporates the basic education expenditures of
34 low-spending schools exhibiting high academic performance. The

1 Education Funding Advisory Board shall make such
2 recommendations to the General Assembly on January 1 of odd
3 numbered years, beginning January 1, 2001.

4 (N) (Blank).

5 (O) References.

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

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

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

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

19 (720 ILCS 5/17A-1) (from Ch. 38, par. 17A-1)

20 Sec. 17A-1. Persons under deportation order; ineligible
21 for benefits. An individual against whom a United States
22 Immigration Judge has issued an order of deportation which has
23 been affirmed by the Board of Immigration Review, as well as an
24 individual who appeals such an order pending appeal, under
25 paragraph 19 of Section 241(a) of the Immigration and
26 Nationality Act relating to persecution of others on account of
27 race, religion, national origin or political opinion under the
28 direction of or in association with the Nazi government of
29 Germany or its allies, shall be ineligible for the following
30 benefits authorized by State law:

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

4 (b) Grants under the Senior Citizens and Disabled Persons
5 Property Tax Relief and Pharmaceutical Assistance Act.

6 (c) The double income tax exemption conferred upon persons
7 65 years of age or older by Section 204 of the Illinois Income
8 Tax Act.

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

10 (e) Reductions in vehicle registration fees under Section
11 3-806.3 of the Illinois Vehicle Code.

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

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

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

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

18 Section 90. The State Mandates Act is amended by adding
19 Section 8.28 as follows:

20 (30 ILCS 805/8.28 new)

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

25 Section 99. Effective date. This Act takes effect upon
26 becoming law."