



Sen. Todd Sieben

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1 AMENDMENT TO SENATE BILL 2974

2 AMENDMENT NO. _____. Amend Senate Bill 2974 on page 1, by
3 replacing line 5 with the following:

4 "Sections 15-172 and 18-185 as follows:"; and

5 on page 9, immediately below line 22, by inserting the
6 following:

7 "(35 ILCS 200/18-185)

8 Sec. 18-185. Short title; definitions. This Division 5 may
9 be cited as the Property Tax Extension Limitation Law. As used
10 in this Division 5:

11 "Consumer Price Index" means the Consumer Price Index for
12 All Urban Consumers for all items published by the United
13 States Department of Labor.

14 "Extension limitation" means (a) the lesser of 5% or the
15 percentage increase in the Consumer Price Index during the
16 12-month calendar year preceding the levy year or (b) the rate
17 of increase approved by voters under Section 18-205.

18 "Affected county" means a county of 3,000,000 or more
19 inhabitants or a county contiguous to a county of 3,000,000 or
20 more inhabitants.

21 "Taxing district" has the same meaning provided in Section
22 1-150, except as otherwise provided in this Section. For the
23 1991 through 1994 levy years only, "taxing district" includes
24 only each non-home rule taxing district having the majority of

1 its 1990 equalized assessed value within any county or counties
2 contiguous to a county with 3,000,000 or more inhabitants.
3 Beginning with the 1995 levy year, "taxing district" includes
4 only each non-home rule taxing district subject to this Law
5 before the 1995 levy year and each non-home rule taxing
6 district not subject to this Law before the 1995 levy year
7 having the majority of its 1994 equalized assessed value in an
8 affected county or counties. Beginning with the levy year in
9 which this Law becomes applicable to a taxing district as
10 provided in Section 18-213, "taxing district" also includes
11 those taxing districts made subject to this Law as provided in
12 Section 18-213.

13 "Aggregate extension" for taxing districts to which this
14 Law applied before the 1995 levy year means the annual
15 corporate extension for the taxing district and those special
16 purpose extensions that are made annually for the taxing
17 district, excluding special purpose extensions: (a) made for
18 the taxing district to pay interest or principal on general
19 obligation bonds that were approved by referendum; (b) made for
20 any taxing district to pay interest or principal on general
21 obligation bonds issued before October 1, 1991; (c) made for
22 any taxing district to pay interest or principal on bonds
23 issued to refund or continue to refund those bonds issued
24 before October 1, 1991; (d) made for any taxing district to pay
25 interest or principal on bonds issued to refund or continue to
26 refund bonds issued after October 1, 1991 that were approved by
27 referendum; (e) made for any taxing district to pay interest or
28 principal on revenue bonds issued before October 1, 1991 for
29 payment of which a property tax levy or the full faith and
30 credit of the unit of local government is pledged; however, a
31 tax for the payment of interest or principal on those bonds
32 shall be made only after the governing body of the unit of
33 local government finds that all other sources for payment are
34 insufficient to make those payments; (f) made for payments

1 under a building commission lease when the lease payments are
2 for the retirement of bonds issued by the commission before
3 October 1, 1991, to pay for the building project; (g) made for
4 payments due under installment contracts entered into before
5 October 1, 1991; (h) made for payments of principal and
6 interest on bonds issued under the Metropolitan Water
7 Reclamation District Act to finance construction projects
8 initiated before October 1, 1991; (i) made for payments of
9 principal and interest on limited bonds, as defined in Section
10 3 of the Local Government Debt Reform Act, in an amount not to
11 exceed the debt service extension base less the amount in items
12 (b), (c), (e), and (h) of this definition for non-referendum
13 obligations, except obligations initially issued pursuant to
14 referendum; (j) made for payments of principal and interest on
15 bonds issued under Section 15 of the Local Government Debt
16 Reform Act; (k) made by a school district that participates in
17 the Special Education District of Lake County, created by
18 special education joint agreement under Section 10-22.31 of the
19 School Code, for payment of the school district's share of the
20 amounts required to be contributed by the Special Education
21 District of Lake County to the Illinois Municipal Retirement
22 Fund under Article 7 of the Illinois Pension Code; the amount
23 of any extension under this item (k) shall be certified by the
24 school district to the county clerk; and (l) made to fund
25 expenses of providing joint recreational programs for the
26 handicapped under Section 5-8 of the Park District Code or
27 Section 11-95-14 of the Illinois Municipal Code.

28 "Aggregate extension" for the taxing districts to which
29 this Law did not apply before the 1995 levy year (except taxing
30 districts subject to this Law in accordance with Section
31 18-213) means the annual corporate extension for the taxing
32 district and those special purpose extensions that are made
33 annually for the taxing district, excluding special purpose
34 extensions: (a) made for the taxing district to pay interest or

1 principal on general obligation bonds that were approved by
2 referendum; (b) made for any taxing district to pay interest or
3 principal on general obligation bonds issued before March 1,
4 1995; (c) made for any taxing district to pay interest or
5 principal on bonds issued to refund or continue to refund those
6 bonds issued before March 1, 1995; (d) made for any taxing
7 district to pay interest or principal on bonds issued to refund
8 or continue to refund bonds issued after March 1, 1995 that
9 were approved by referendum; (e) made for any taxing district
10 to pay interest or principal on revenue bonds issued before
11 March 1, 1995 for payment of which a property tax levy or the
12 full faith and credit of the unit of local government is
13 pledged; however, a tax for the payment of interest or
14 principal on those bonds shall be made only after the governing
15 body of the unit of local government finds that all other
16 sources for payment are insufficient to make those payments;
17 (f) made for payments under a building commission lease when
18 the lease payments are for the retirement of bonds issued by
19 the commission before March 1, 1995 to pay for the building
20 project; (g) made for payments due under installment contracts
21 entered into before March 1, 1995; (h) made for payments of
22 principal and interest on bonds issued under the Metropolitan
23 Water Reclamation District Act to finance construction
24 projects initiated before October 1, 1991; (i) made for
25 payments of principal and interest on limited bonds, as defined
26 in Section 3 of the Local Government Debt Reform Act, in an
27 amount not to exceed the debt service extension base less the
28 amount in items (b), (c), and (e) of this definition for
29 non-referendum obligations, except obligations initially
30 issued pursuant to referendum and bonds described in subsection
31 (h) of this definition; (j) made for payments of principal and
32 interest on bonds issued under Section 15 of the Local
33 Government Debt Reform Act; (k) made for payments of principal
34 and interest on bonds authorized by Public Act 88-503 and

1 issued under Section 20a of the Chicago Park District Act for
2 aquarium or museum projects; (l) made for payments of principal
3 and interest on bonds authorized by Public Act 87-1191 or
4 93-601 ~~this amendatory Act of the 93rd General Assembly~~ and (i)
5 issued pursuant to Section 21.2 of the Cook County Forest
6 Preserve District Act, (ii) issued under Section 42 of the Cook
7 County Forest Preserve District Act for zoological park
8 projects, or (iii) issued under Section 44.1 of the Cook County
9 Forest Preserve District Act for botanical gardens projects;
10 (m) made pursuant to Section 34-53.5 of the School Code,
11 whether levied annually or not; (n) made to fund expenses of
12 providing joint recreational programs for the handicapped
13 under Section 5-8 of the Park District Code or Section 11-95-14
14 of the Illinois Municipal Code; and (o) made by the Chicago
15 Park District for recreational programs for the handicapped
16 under subsection (c) of Section 7.06 of the Chicago Park
17 District Act.

18 "Aggregate extension" for all taxing districts to which
19 this Law applies in accordance with Section 18-213, except for
20 those taxing districts subject to paragraph (2) of subsection
21 (e) of Section 18-213, means the annual corporate extension for
22 the taxing district and those special purpose extensions that
23 are made annually for the taxing district, excluding special
24 purpose extensions: (a) made for the taxing district to pay
25 interest or principal on general obligation bonds that were
26 approved by referendum; (b) made for any taxing district to pay
27 interest or principal on general obligation bonds issued before
28 the date on which the referendum making this Law applicable to
29 the taxing district is held; (c) made for any taxing district
30 to pay interest or principal on bonds issued to refund or
31 continue to refund those bonds issued before the date on which
32 the referendum making this Law applicable to the taxing
33 district is held; (d) made for any taxing district to pay
34 interest or principal on bonds issued to refund or continue to

1 refund bonds issued after the date on which the referendum
2 making this Law applicable to the taxing district is held if
3 the bonds were approved by referendum after the date on which
4 the referendum making this Law applicable to the taxing
5 district is held; (e) made for any taxing district to pay
6 interest or principal on revenue bonds issued before the date
7 on which the referendum making this Law applicable to the
8 taxing district is held for payment of which a property tax
9 levy or the full faith and credit of the unit of local
10 government is pledged; however, a tax for the payment of
11 interest or principal on those bonds shall be made only after
12 the governing body of the unit of local government finds that
13 all other sources for payment are insufficient to make those
14 payments; (f) made for payments under a building commission
15 lease when the lease payments are for the retirement of bonds
16 issued by the commission before the date on which the
17 referendum making this Law applicable to the taxing district is
18 held to pay for the building project; (g) made for payments due
19 under installment contracts entered into before the date on
20 which the referendum making this Law applicable to the taxing
21 district is held; (h) made for payments of principal and
22 interest on limited bonds, as defined in Section 3 of the Local
23 Government Debt Reform Act, in an amount not to exceed the debt
24 service extension base less the amount in items (b), (c), and
25 (e) of this definition for non-referendum obligations, except
26 obligations initially issued pursuant to referendum; (i) made
27 for payments of principal and interest on bonds issued under
28 Section 15 of the Local Government Debt Reform Act; (j) made
29 for a qualified airport authority to pay interest or principal
30 on general obligation bonds issued for the purpose of paying
31 obligations due under, or financing airport facilities
32 required to be acquired, constructed, installed or equipped
33 pursuant to, contracts entered into before March 1, 1996 (but
34 not including any amendments to such a contract taking effect

1 on or after that date); ~~and~~ (k) made to fund expenses of
2 providing joint recreational programs for the handicapped
3 under Section 5-8 of the Park District Code or Section 11-95-14
4 of the Illinois Municipal Code; and (l) made for payments of
5 principal and interest on bonds issued by any school district
6 on the State Board of Education's Financial Warning List for
7 the purpose of financing a retrofit program to replace steam
8 pipes.

9 "Aggregate extension" for all taxing districts to which
10 this Law applies in accordance with paragraph (2) of subsection
11 (e) of Section 18-213 means the annual corporate extension for
12 the taxing district and those special purpose extensions that
13 are made annually for the taxing district, excluding special
14 purpose extensions: (a) made for the taxing district to pay
15 interest or principal on general obligation bonds that were
16 approved by referendum; (b) made for any taxing district to pay
17 interest or principal on general obligation bonds issued before
18 the effective date of this amendatory Act of 1997; (c) made for
19 any taxing district to pay interest or principal on bonds
20 issued to refund or continue to refund those bonds issued
21 before the effective date of this amendatory Act of 1997; (d)
22 made for any taxing district to pay interest or principal on
23 bonds issued to refund or continue to refund bonds issued after
24 the effective date of this amendatory Act of 1997 if the bonds
25 were approved by referendum after the effective date of this
26 amendatory Act of 1997; (e) made for any taxing district to pay
27 interest or principal on revenue bonds issued before the
28 effective date of this amendatory Act of 1997 for payment of
29 which a property tax levy or the full faith and credit of the
30 unit of local government is pledged; however, a tax for the
31 payment of interest or principal on those bonds shall be made
32 only after the governing body of the unit of local government
33 finds that all other sources for payment are insufficient to
34 make those payments; (f) made for payments under a building

1 commission lease when the lease payments are for the retirement
2 of bonds issued by the commission before the effective date of
3 this amendatory Act of 1997 to pay for the building project;
4 (g) made for payments due under installment contracts entered
5 into before the effective date of this amendatory Act of 1997;
6 (h) made for payments of principal and interest on limited
7 bonds, as defined in Section 3 of the Local Government Debt
8 Reform Act, in an amount not to exceed the debt service
9 extension base less the amount in items (b), (c), and (e) of
10 this definition for non-referendum obligations, except
11 obligations initially issued pursuant to referendum; (i) made
12 for payments of principal and interest on bonds issued under
13 Section 15 of the Local Government Debt Reform Act; (j) made
14 for a qualified airport authority to pay interest or principal
15 on general obligation bonds issued for the purpose of paying
16 obligations due under, or financing airport facilities
17 required to be acquired, constructed, installed or equipped
18 pursuant to, contracts entered into before March 1, 1996 (but
19 not including any amendments to such a contract taking effect
20 on or after that date); and (k) made to fund expenses of
21 providing joint recreational programs for the handicapped
22 under Section 5-8 of the Park District Code or Section 11-95-14
23 of the Illinois Municipal Code.

24 "Debt service extension base" means an amount equal to that
25 portion of the extension for a taxing district for the 1994
26 levy year, or for those taxing districts subject to this Law in
27 accordance with Section 18-213, except for those subject to
28 paragraph (2) of subsection (e) of Section 18-213, for the levy
29 year in which the referendum making this Law applicable to the
30 taxing district is held, or for those taxing districts subject
31 to this Law in accordance with paragraph (2) of subsection (e)
32 of Section 18-213 for the 1996 levy year, constituting an
33 extension for payment of principal and interest on bonds issued
34 by the taxing district without referendum, but not including

1 excluded non-referendum bonds. For park districts (i) that were
2 first subject to this Law in 1991 or 1995 and (ii) whose
3 extension for the 1994 levy year for the payment of principal
4 and interest on bonds issued by the park district without
5 referendum (but not including excluded non-referendum bonds)
6 was less than 51% of the amount for the 1991 levy year
7 constituting an extension for payment of principal and interest
8 on bonds issued by the park district without referendum (but
9 not including excluded non-referendum bonds), "debt service
10 extension base" means an amount equal to that portion of the
11 extension for the 1991 levy year constituting an extension for
12 payment of principal and interest on bonds issued by the park
13 district without referendum (but not including excluded
14 non-referendum bonds). The debt service extension base may be
15 established or increased as provided under Section 18-212.
16 "Excluded non-referendum bonds" means (i) bonds authorized by
17 Public Act 88-503 and issued under Section 20a of the Chicago
18 Park District Act for aquarium and museum projects; (ii) bonds
19 issued under Section 15 of the Local Government Debt Reform
20 Act; or (iii) refunding obligations issued to refund or to
21 continue to refund obligations initially issued pursuant to
22 referendum.

23 "Special purpose extensions" include, but are not limited
24 to, extensions for levies made on an annual basis for
25 unemployment and workers' compensation, self-insurance,
26 contributions to pension plans, and extensions made pursuant to
27 Section 6-601 of the Illinois Highway Code for a road
28 district's permanent road fund whether levied annually or not.
29 The extension for a special service area is not included in the
30 aggregate extension.

31 "Aggregate extension base" means the taxing district's
32 last preceding aggregate extension as adjusted under Sections
33 18-215 through 18-230.

34 "Levy year" has the same meaning as "year" under Section

1 1-155.

2 "New property" means (i) the assessed value, after final
3 board of review or board of appeals action, of new improvements
4 or additions to existing improvements on any parcel of real
5 property that increase the assessed value of that real property
6 during the levy year multiplied by the equalization factor
7 issued by the Department under Section 17-30, (ii) the assessed
8 value, after final board of review or board of appeals action,
9 of real property not exempt from real estate taxation, which
10 real property was exempt from real estate taxation for any
11 portion of the immediately preceding levy year, multiplied by
12 the equalization factor issued by the Department under Section
13 17-30, and (iii) in counties that classify in accordance with
14 Section 4 of Article IX of the Illinois Constitution, an
15 incentive property's additional assessed value resulting from
16 a scheduled increase in the level of assessment as applied to
17 the first year final board of review market value. In addition,
18 the county clerk in a county containing a population of
19 3,000,000 or more shall include in the 1997 recovered tax
20 increment value for any school district, any recovered tax
21 increment value that was applicable to the 1995 tax year
22 calculations.

23 "Qualified airport authority" means an airport authority
24 organized under the Airport Authorities Act and located in a
25 county bordering on the State of Wisconsin and having a
26 population in excess of 200,000 and not greater than 500,000.

27 "Recovered tax increment value" means, except as otherwise
28 provided in this paragraph, the amount of the current year's
29 equalized assessed value, in the first year after a
30 municipality terminates the designation of an area as a
31 redevelopment project area previously established under the
32 Tax Increment Allocation Development Act in the Illinois
33 Municipal Code, previously established under the Industrial
34 Jobs Recovery Law in the Illinois Municipal Code, or previously

1 established under the Economic Development Area Tax Increment
2 Allocation Act, of each taxable lot, block, tract, or parcel of
3 real property in the redevelopment project area over and above
4 the initial equalized assessed value of each property in the
5 redevelopment project area. For the taxes which are extended
6 for the 1997 levy year, the recovered tax increment value for a
7 non-home rule taxing district that first became subject to this
8 Law for the 1995 levy year because a majority of its 1994
9 equalized assessed value was in an affected county or counties
10 shall be increased if a municipality terminated the designation
11 of an area in 1993 as a redevelopment project area previously
12 established under the Tax Increment Allocation Development Act
13 in the Illinois Municipal Code, previously established under
14 the Industrial Jobs Recovery Law in the Illinois Municipal
15 Code, or previously established under the Economic Development
16 Area Tax Increment Allocation Act, by an amount equal to the
17 1994 equalized assessed value of each taxable lot, block,
18 tract, or parcel of real property in the redevelopment project
19 area over and above the initial equalized assessed value of
20 each property in the redevelopment project area. In the first
21 year after a municipality removes a taxable lot, block, tract,
22 or parcel of real property from a redevelopment project area
23 established under the Tax Increment Allocation Development Act
24 in the Illinois Municipal Code, the Industrial Jobs Recovery
25 Law in the Illinois Municipal Code, or the Economic Development
26 Area Tax Increment Allocation Act, "recovered tax increment
27 value" means the amount of the current year's equalized
28 assessed value of each taxable lot, block, tract, or parcel of
29 real property removed from the redevelopment project area over
30 and above the initial equalized assessed value of that real
31 property before removal from the redevelopment project area.

32 Except as otherwise provided in this Section, "limiting
33 rate" means a fraction the numerator of which is the last
34 preceding aggregate extension base times an amount equal to one

1 plus the extension limitation defined in this Section and the
2 denominator of which is the current year's equalized assessed
3 value of all real property in the territory under the
4 jurisdiction of the taxing district during the prior levy year.
5 For those taxing districts that reduced their aggregate
6 extension for the last preceding levy year, the highest
7 aggregate extension in any of the last 3 preceding levy years
8 shall be used for the purpose of computing the limiting rate.
9 The denominator shall not include new property. The denominator
10 shall not include the recovered tax increment value.

11 (Source: P.A. 92-547, eff. 6-13-02; 93-601, eff. 1-1-04;
12 93-606, eff. 11-18-03; 93-612, eff. 11-18-03; revised
13 12-10-03.)".