



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB3602

Introduced 2/24/2005, by Rep. Michael Tryon

SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-230

Amends the Property Tax Extension Limitation Law in the Property Tax Code. Makes changes to the procedure for applying a new rate increase or decrease that was approved by a referendum. Provides that when a new rate or a rate increase or decrease, first effective for the current levy year, has been approved by referendum, the procedure for adding the rate increase shall be to add the total rate increase approved by the referendum to the total limited rate of all capped funds for the year following the approval. Provides that the rate increase or decrease is determined by subtracting the prior maximum rate for the fund or funds, approved by referenda, from the newly established maximum rate or rates approved.

LRB094 10401 BDD 40671 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Property Tax Code is amended by changing
5 Section 18-230 as follows:

6 (35 ILCS 200/18-230)

7 Sec. 18-230. Rate increase or decrease factor. When a new
8 rate or a rate increase or decrease, first effective for the
9 current levy year, has been approved by referendum, the
10 procedure for adding such rate increase shall be to add the
11 total rate increase approved by said referendum, to the total
12 limited rate of all capped funds, for the year following said
13 approval. Said rate increase or decrease is determined by
14 subtracting the prior maximum rate for the fund or funds,
15 approved by referenda, from the newly established maximum rate
16 or rates approved. If a district wishes to increase revenue
17 more than by using the above stated formula, it will be
18 necessary for said district to follow the procedures set forth
19 in Sec. 18-205. ~~When a new rate or a rate increase or decrease~~
20 ~~first effective for the current levy year has been approved by~~
21 ~~referendum, the aggregate extension base, as adjusted in~~
22 ~~Sections 18-215 and 18-220, shall be multiplied by a rate~~
23 ~~increase (or decrease) factor. The numerator of the rate~~
24 ~~increase (or decrease) factor is the total combined rate for~~
25 ~~the funds that made up the aggregate extension for the taxing~~
26 ~~district for the prior year plus the rate increase approved or~~
27 ~~minus the rate decrease approved. The denominator of the rate~~
28 ~~increase or decrease factor is the total combined rate for the~~
29 ~~funds that made up the aggregate extension for the prior year.~~
30 ~~For those taxing districts for which a new rate or a rate~~
31 ~~increase has been approved by referendum held after December~~
32 ~~31, 1988, and that did not increase their rate to the new~~

1 ~~maximum rate for that fund, the rate increase factor shall be~~
2 ~~adjusted for 4 levy years after the year of the referendum by a~~
3 ~~factor the numerator of which is the portion of the new or~~
4 ~~increased rate for which taxes were not extended plus the~~
5 ~~aggregate rate in effect for the levy year prior to the levy~~
6 ~~year in which the referendum was passed and the denominator of~~
7 ~~which is the aggregate rate in effect for the levy year prior~~
8 ~~to the levy year in which the referendum was passed.~~

9 (Source: P.A. 87-17; 88-455.)