



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB4299

Introduced 12/21/05, by Rep. Brent Hassert

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-170

Amends the Property Tax Code. In a Section concerning the Senior Citizens Homestead Exemption, provides that, for taxable year 2006 and thereafter, the maximum reduction, in all counties, must be increased each year by the lesser of (i) 2% or (ii) an amount equal to the annual rate of increase of the Consumer Price Index for All Urban Consumers for all items published by the United States Department of Labor Bureau of Labor Statistics for the previous calendar year. Effective immediately.

LRB094 16049 BDD 51284 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 15-170 as follows:

6 (35 ILCS 200/15-170)

7 Sec. 15-170. Senior Citizens Homestead Exemption. An
8 annual homestead exemption limited, except as described here
9 with relation to cooperatives or life care facilities, to a
10 maximum reduction set forth below from the property's value, as
11 equalized or assessed by the Department, is granted for
12 property that is occupied as a residence by a person 65 years
13 of age or older who is liable for paying real estate taxes on
14 the property and is an owner of record of the property or has a
15 legal or equitable interest therein as evidenced by a written
16 instrument, except for a leasehold interest, other than a
17 leasehold interest of land on which a single family residence
18 is located, which is occupied as a residence by a person 65
19 years or older who has an ownership interest therein, legal,
20 equitable or as a lessee, and on which he or she is liable for
21 the payment of property taxes. Before taxable year 2004, the
22 maximum reduction shall be \$2,500 in counties with 3,000,000 or
23 more inhabitants and \$2,000 in all other counties. For taxable
24 years 2004 and 2005 thereafter, the maximum reduction shall be
25 \$3,000 in all counties. For taxable year 2006 and thereafter,
26 the maximum reduction, in all counties, must be increased each
27 year by the lesser of (i) 2% or (ii) an amount equal to the
28 annual rate of increase of the Consumer Price Index for All
29 Urban Consumers for all items published by the United States
30 Department of Labor Bureau of Labor Statistics for the previous
31 calendar year. For land improved with an apartment building
32 owned and operated as a cooperative, the maximum reduction from

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

1 made during the application period in effect for the county of
2 his residence.

3 Beginning with assessment year 2003, for taxes payable in
4 2004, property that is first occupied as a residence after
5 January 1 of any assessment year by a person who is eligible
6 for the senior citizens homestead exemption under this Section
7 must be granted a pro-rata exemption for the assessment year.
8 The amount of the pro-rata exemption is the exemption allowed
9 in the county under this Section divided by 365 and multiplied
10 by the number of days during the assessment year the property
11 is occupied as a residence by a person eligible for the
12 exemption under this Section. The chief county assessment
13 officer must adopt reasonable procedures to establish
14 eligibility for this pro-rata exemption.

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

24 The chief county assessment officer of each county with
25 less than 3,000,000 inhabitants shall provide to each person
26 allowed a homestead exemption under this Section a form to
27 designate any other person to receive a duplicate of any notice
28 of delinquency in the payment of taxes assessed and levied
29 under this Code on the property of the person receiving the
30 exemption. The duplicate notice shall be in addition to the
31 notice required to be provided to the person receiving the
32 exemption, and shall be given in the manner required by this
33 Code. The person filing the request for the duplicate notice
34 shall pay a fee of \$5 to cover administrative costs to the
35 supervisor of assessments, who shall then file the executed
36 designation with the county collector. Notwithstanding any

1 other provision of this Code to the contrary, the filing of
2 such an executed designation requires the county collector to
3 provide duplicate notices as indicated by the designation. A
4 designation may be rescinded by the person who executed such
5 designation at any time, in the manner and form required by the
6 chief county assessment officer.

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

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

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

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

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

34 (Source: P.A. 92-196, eff. 1-1-02; 93-511, eff. 8-11-03;
35 93-715, eff. 7-12-04.)

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