



## 94TH GENERAL ASSEMBLY

### State of Illinois

2005 and 2006

HB4321

Introduced 12/27/2005, by Rep. Robert W. Pritchard

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/14-20  
35 ILCS 200/15-172  
30 ILCS 805/8.30 new

Amends the Property Tax Code. Includes disabled persons within the provisions granting an assessment freeze homestead exemption to senior citizens. Changes the name to the Senior Citizens and Disabled Persons Assessment Freeze Homestead Exemption (now Senior Citizens Assessment Freeze Homestead Exemption). Makes corresponding changes to a cross-reference to the exemption. Amends the States Mandates Act to require implementation without reimbursement. Effective immediately.

LRB094 15283 BDD 50474 b

FISCAL NOTE ACT  
MAY APPLY

HOUSING  
AFFORDABILITY  
IMPACT NOTE ACT  
MAY APPLY

STATE MANDATES  
ACT MAY REQUIRE  
REIMBURSEMENT

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 Sections 14-20 and 15-172 as follows:

6 (35 ILCS 200/14-20)

7 Sec. 14-20. Certificate of error; counties of less than  
8 3,000,000. In any county with less than 3,000,000 inhabitants,  
9 if, at any time before judgment or order of sale is entered in  
10 any proceeding to collect or to enjoin the collection of taxes  
11 based upon any assessment of any property, the chief county  
12 assessment officer discovers an error or mistake in the  
13 assessment (other than errors of judgment as to the valuation  
14 of the property), he or she shall issue to the person  
15 erroneously assessed a certificate setting forth the nature of  
16 the error and the cause or causes of the error. In any county  
17 with less than 3,000,000 inhabitants, if an owner fails to file  
18 an application for the Senior Citizens and Disabled Persons  
19 Assessment Freeze Homestead Exemption provided in Section  
20 15-172 during the previous assessment year and qualifies for  
21 the exemption, the Chief County Assessment Officer pursuant to  
22 this Section, or the Board of Review pursuant to Section 16-75,  
23 shall issue a certificate of error setting forth the correct  
24 taxable valuation of the property. The certificate, when  
25 properly endorsed by the majority of the board of review,  
26 showing their concurrence, and not otherwise, may be used in  
27 evidence in any court of competent jurisdiction, and when so  
28 introduced in evidence, shall become a part of the court record  
29 and shall not be removed from the files except on an order of  
30 the court.

31 (Source: P.A. 90-552, eff. 12-12-97; 91-377, eff. 7-30-99.)

1 (35 ILCS 200/15-172)

2 Sec. 15-172. Senior Citizens and Disabled Persons  
3 Assessment Freeze Homestead Exemption.

4 (a) This Section may be cited as the Senior Citizens and  
5 Disabled Persons Assessment Freeze Homestead Exemption.

6 (b) As used in this Section:

7 "Applicant" means an individual who has filed an  
8 application under this Section.

9 "Base amount" means the base year equalized assessed value  
10 of the residence plus the first year's equalized assessed value  
11 of any added improvements which increased the assessed value of  
12 the residence after the base year.

13 "Base year" means the taxable year prior to the taxable  
14 year for which the applicant first qualifies and applies for  
15 the exemption provided that in the prior taxable year the  
16 property was improved with a permanent structure that was  
17 occupied as a residence by the applicant who was liable for  
18 paying real property taxes on the property and who was either  
19 (i) an owner of record of the property or had legal or  
20 equitable interest in the property as evidenced by a written  
21 instrument or (ii) had a legal or equitable interest as a  
22 lessee in the parcel of property that was single family  
23 residence. If in any subsequent taxable year for which the  
24 applicant applies and qualifies for the exemption the equalized  
25 assessed value of the residence is less than the equalized  
26 assessed value in the existing base year (provided that such  
27 equalized assessed value is not based on an assessed value that  
28 results from a temporary irregularity in the property that  
29 reduces the assessed value for one or more taxable years), then  
30 that subsequent taxable year shall become the base year until a  
31 new base year is established under the terms of this paragraph.  
32 For taxable year 1999 only, the Chief County Assessment Officer  
33 shall review (i) all taxable years for which the applicant  
34 applied and qualified for the exemption and (ii) the existing  
35 base year. The assessment officer shall select as the new base  
36 year the year with the lowest equalized assessed value. An

1 equalized assessed value that is based on an assessed value  
2 that results from a temporary irregularity in the property that  
3 reduces the assessed value for one or more taxable years shall  
4 not be considered the lowest equalized assessed value. The  
5 selected year shall be the base year for taxable year 1999 and  
6 thereafter until a new base year is established under the terms  
7 of this paragraph.

8 "Chief County Assessment Officer" means the County  
9 Assessor or Supervisor of Assessments of the county in which  
10 the property is located.

11 "Disabled person" means a person unable to engage in any  
12 substantial gainful activity by reason of a medically  
13 determinable physical or mental impairment that (i) can be  
14 expected to result in death or (ii) has lasted or can be  
15 expected to last for a continuous period of not less than 12  
16 months. Disabled persons applying for the exemption under this  
17 Section must submit proof of the disability in the manner  
18 prescribed by the chief county assessment officer. Proof that  
19 an applicant is eligible to receive disability benefits under  
20 the federal Social Security Act constitutes proof of disability  
21 for purposes of this Section. Issuance of an Illinois Disabled  
22 Person Identification Card to the applicant stating that the  
23 possessor is under a Class 2 disability, as defined in Section  
24 4A of the Illinois Identification Card Act, constitutes proof  
25 that the person is a disabled person for purposes of this  
26 Section.

27 "Equalized assessed value" means the assessed value as  
28 equalized by the Illinois Department of Revenue.

29 "Household" means the applicant, the spouse of the  
30 applicant, and all persons using the residence of the applicant  
31 as their principal place of residence.

32 "Household income" means the combined income of the members  
33 of a household for the calendar year preceding the taxable  
34 year.

35 "Income" has the same meaning as provided in Section 3.07  
36 of the Senior Citizens and Disabled Persons Property Tax Relief

1 and Pharmaceutical Assistance Act, except that, beginning in  
2 assessment year 2001, "income" does not include veteran's  
3 benefits.

4 "Internal Revenue Code of 1986" means the United States  
5 Internal Revenue Code of 1986 or any successor law or laws  
6 relating to federal income taxes in effect for the year  
7 preceding the taxable year.

8 "Life care facility that qualifies as a cooperative" means  
9 a facility as defined in Section 2 of the Life Care Facilities  
10 Act.

11 "Residence" means the principal dwelling place and  
12 appurtenant structures used for residential purposes in this  
13 State occupied on January 1 of the taxable year by a household  
14 and so much of the surrounding land, constituting the parcel  
15 upon which the dwelling place is situated, as is used for  
16 residential purposes. If the Chief County Assessment Officer  
17 has established a specific legal description for a portion of  
18 property constituting the residence, then that portion of  
19 property shall be deemed the residence for the purposes of this  
20 Section.

21 "Taxable year" means the calendar year during which ad  
22 valorem property taxes payable in the next succeeding year are  
23 levied.

24 (c) Beginning in (1) taxable year 1994, for a senior  
25 citizens and (2) taxable year 2006, for disabled persons, an  
26 assessment freeze homestead exemption is granted for real  
27 property that is improved with a permanent structure that is  
28 occupied as a residence by an applicant who (i) is 65 years of  
29 age or older, or a disabled person, during the taxable year,  
30 (ii) has a household income of \$35,000 or less prior to taxable  
31 year 1999, \$40,000 or less in taxable years 1999 through 2003,  
32 and \$45,000 or less in taxable year 2004 and thereafter, (iii)  
33 is liable for paying real property taxes on the property, and  
34 (iv) is an owner of record of the property or has a legal or  
35 equitable interest in the property as evidenced by a written  
36 instrument. This homestead exemption shall also apply to a

1 leasehold interest in a parcel of property improved with a  
2 permanent structure that is a single family residence that is  
3 occupied as a residence by a person who (i) is 65 years of age  
4 or older, or a disabled person, during the taxable year, (ii)  
5 has a household income of \$35,000 or less prior to taxable year  
6 1999, \$40,000 or less in taxable years 1999 through 2003, and  
7 \$45,000 or less in taxable year 2004 and thereafter, (iii) has  
8 a legal or equitable ownership interest in the property as  
9 lessee, and (iv) is liable for the payment of real property  
10 taxes on that property.

11 The amount of this exemption shall be the equalized  
12 assessed value of the residence in the taxable year for which  
13 application is made minus the base amount.

14 When the applicant is a surviving spouse of an applicant  
15 for a prior year for the same residence for which an exemption  
16 under this Section has been granted, the base year and base  
17 amount for that residence are the same as for the applicant for  
18 the prior year.

19 Each year at the time the assessment books are certified to  
20 the County Clerk, the Board of Review or Board of Appeals shall  
21 give to the County Clerk a list of the assessed values of  
22 improvements on each parcel qualifying for this exemption that  
23 were added after the base year for this parcel and that  
24 increased the assessed value of the property.

25 In the case of land improved with an apartment building  
26 owned and operated as a cooperative or a building that is a  
27 life care facility that qualifies as a cooperative, the maximum  
28 reduction from the equalized assessed value of the property is  
29 limited to the sum of the reductions calculated for each unit  
30 occupied as a residence by a person ~~or persons~~ (i) 65 years of  
31 age or older, or a disabled person, (ii) with a household  
32 income of \$35,000 or less prior to taxable year 1999, \$40,000  
33 or less in taxable years 1999 through 2003, and \$45,000 or less  
34 in taxable year 2004 and thereafter, (iii) who is liable, by  
35 contract with the owner or owners of record, for paying real  
36 property taxes on the property, and (iv) who is an owner of

1 record of a legal or equitable interest in the cooperative  
2 apartment building, other than a leasehold interest. In the  
3 instance of a cooperative where a homestead exemption has been  
4 granted under this Section, the cooperative association or its  
5 management firm shall credit the savings resulting from that  
6 exemption only to the apportioned tax liability of the owner  
7 who qualified for the exemption. Any person who willfully  
8 refuses to credit that savings to an owner who qualifies for  
9 the exemption is guilty of a Class B misdemeanor.

10 When a homestead exemption has been granted under this  
11 Section and an applicant then becomes a resident of a facility  
12 licensed under the Nursing Home Care Act, the exemption shall  
13 be granted in subsequent years so long as the residence (i)  
14 continues to be occupied by the qualified applicant's spouse or  
15 (ii) if remaining unoccupied, is still owned by the qualified  
16 applicant for the homestead exemption.

17 Beginning January 1, 1997 for senior citizens and January  
18 1, 2007 for disabled persons, when an individual dies who would  
19 have qualified for an exemption under this Section, and the  
20 surviving spouse does not independently qualify for this  
21 exemption because of age or nondisability, the exemption under  
22 this Section shall be granted to the surviving spouse for the  
23 taxable year preceding and the taxable year of the death,  
24 provided that, except for age or nondisability, the surviving  
25 spouse meets all other qualifications for the granting of this  
26 exemption for those years.

27 When married persons maintain separate residences, the  
28 exemption provided for in this Section may be claimed by only  
29 one of such persons and for only one residence.

30 For taxable year 1994 only, in counties having less than  
31 3,000,000 inhabitants, to receive the exemption, a person shall  
32 submit an application by February 15, 1995 to the Chief County  
33 Assessment Officer of the county in which the property is  
34 located. In counties having 3,000,000 or more inhabitants, for  
35 taxable year 1994 and all subsequent taxable years, to receive  
36 the exemption, a person may submit an application to the Chief

1 County Assessment Officer of the county in which the property  
2 is located during such period as may be specified by the Chief  
3 County Assessment Officer. The Chief County Assessment Officer  
4 in counties of 3,000,000 or more inhabitants shall annually  
5 give notice of the application period by mail or by  
6 publication. In counties having less than 3,000,000  
7 inhabitants, beginning with taxable year 1995 and thereafter,  
8 to receive the exemption, a person shall submit an application  
9 by July 1 of each taxable year to the Chief County Assessment  
10 Officer of the county in which the property is located. A  
11 county may, by ordinance, establish a date for submission of  
12 applications that is different than July 1. The applicant shall  
13 submit with the application an affidavit of the applicant's  
14 total household income, age, marital status (and if married the  
15 name and address of the applicant's spouse, if known),  
16 disability (if applying for the exemption as a disabled  
17 person), and principal dwelling place of members of the  
18 household on January 1 of the taxable year. The Department  
19 shall establish, by rule, a method for verifying the accuracy  
20 of affidavits filed by applicants under this Section. The  
21 applications shall be clearly marked as applications for the  
22 Senior Citizens and Disabled Persons Assessment Freeze  
23 Homestead Exemption.

24 Notwithstanding any other provision to the contrary, in  
25 counties having fewer than 3,000,000 inhabitants, if an  
26 applicant fails to file the application required by this  
27 Section in a timely manner and this failure to file is due to a  
28 mental or physical condition sufficiently severe so as to  
29 render the applicant incapable of filing the application in a  
30 timely manner, the Chief County Assessment Officer may extend  
31 the filing deadline for a period of 30 days after the applicant  
32 regains the capability to file the application, but in no case  
33 may the filing deadline be extended beyond 3 months of the  
34 original filing deadline. In order to receive the extension  
35 provided in this paragraph, the applicant shall provide the  
36 Chief County Assessment Officer with a signed statement from



1 the applicant's physician stating the nature and extent of the  
2 condition, that, in the physician's opinion, the condition was  
3 so severe that it rendered the applicant incapable of filing  
4 the application in a timely manner, and the date on which the  
5 applicant regained the capability to file the application.

6 Beginning January 1, 1998, notwithstanding any other  
7 provision to the contrary, in counties having fewer than  
8 3,000,000 inhabitants, if an applicant fails to file the  
9 application required by this Section in a timely manner and  
10 this failure to file is due to a mental or physical condition  
11 sufficiently severe so as to render the applicant incapable of  
12 filing the application in a timely manner, the Chief County  
13 Assessment Officer may extend the filing deadline for a period  
14 of 3 months. In order to receive the extension provided in this  
15 paragraph, the applicant shall provide the Chief County  
16 Assessment Officer with a signed statement from the applicant's  
17 physician stating the nature and extent of the condition, and  
18 that, in the physician's opinion, the condition was so severe  
19 that it rendered the applicant incapable of filing the  
20 application in a timely manner.

21 In counties having less than 3,000,000 inhabitants, if an  
22 applicant was denied an exemption in taxable year 1994 and the  
23 denial occurred due to an error on the part of an assessment  
24 official, or his or her agent or employee, then beginning in  
25 taxable year 1997 the applicant's base year, for purposes of  
26 determining the amount of the exemption, shall be 1993 rather  
27 than 1994. In addition, in taxable year 1997, the applicant's  
28 exemption shall also include an amount equal to (i) the amount  
29 of any exemption denied to the applicant in taxable year 1995  
30 as a result of using 1994, rather than 1993, as the base year,  
31 (ii) the amount of any exemption denied to the applicant in  
32 taxable year 1996 as a result of using 1994, rather than 1993,  
33 as the base year, and (iii) the amount of the exemption  
34 erroneously denied for taxable year 1994.

35 For purposes of this Section, a person who will be 65 years  
36 of age or is a disabled person during the current taxable year

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

5 The Chief County Assessment Officer may determine the  
6 eligibility of a life care facility that qualifies as a  
7 cooperative to receive the benefits provided by this Section by  
8 use of an affidavit, application, visual inspection,  
9 questionnaire, or other reasonable method in order to insure  
10 that the tax savings resulting from the exemption are credited  
11 by the management firm to the apportioned tax liability of each  
12 qualifying resident. The Chief County Assessment Officer may  
13 request reasonable proof that the management firm has so  
14 credited that exemption.

15 Except as provided in this Section, all information  
16 received by the chief county assessment officer or the  
17 Department from applications filed under this Section, or from  
18 any investigation conducted under the provisions of this  
19 Section, shall be confidential, except for official purposes or  
20 pursuant to official procedures for collection of any State or  
21 local tax or enforcement of any civil or criminal penalty or  
22 sanction imposed by this Act or by any statute or ordinance  
23 imposing a State or local tax. Any person who divulges any such  
24 information in any manner, except in accordance with a proper  
25 judicial order, is guilty of a Class A misdemeanor.

26 Nothing contained in this Section shall prevent the  
27 Director or chief county assessment officer from publishing or  
28 making available reasonable statistics concerning the  
29 operation of the exemption contained in this Section in which  
30 the contents of claims are grouped into aggregates in such a  
31 way that information contained in any individual claim shall  
32 not be disclosed.

33 (d) Each Chief County Assessment Officer shall annually  
34 publish a notice of availability of the exemption provided  
35 under this Section. The notice shall be published at least 60  
36 days but no more than 75 days prior to the date on which the

1 application must be submitted to the Chief County Assessment  
2 Officer of the county in which the property is located. The  
3 notice shall appear in a newspaper of general circulation in  
4 the county.

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

8 (Source: P.A. 93-715, eff. 7-12-04.)

9 Section 90. The State Mandates Act is amended by adding  
10 Section 8.30 as follows:

11 (30 ILCS 805/8.30 new)

12 Sec. 8.30. Exempt mandate. Notwithstanding Sections 6 and 8  
13 of this Act, no reimbursement by the State is required for the  
14 implementation of any mandate created by the Senior Citizens  
15 and Disabled Persons Assessment Freeze Homestead Exemption  
16 under Section 15-172 of the Property Tax Code.

17 Section 99. Effective date. This Act takes effect upon  
18 becoming law.