



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB4780

Introduced 1/18/2006, by Rep. Elaine Nekritz

SYNOPSIS AS INTRODUCED:

35 ILCS 200/12-37 new
35 ILCS 200/16-185
35 ILCS 200/23-20

Amends the Property Tax Code. Provides that whenever, as the result of a final order of the Property Tax Appeal Board or any court, a property assessment is reduced for a tax year for which the taxes have already been paid and the subject property is still owned by the same person, entity, or a successor entity, the chief county assessment officer shall award to the taxpayer obtaining the order a compensatory assessment reduction for the next assessment year available for assessment adjustment. Provides that the amount of the compensatory assessment reduction shall be equal to the assessment reduction for the prior year or years as ordered by Property Tax Appeal Board or court and provides that the amount may be carried forward. Provides that the award of compensatory assessment reductions shall take place prior to and shall be considered in the determination of tax rates by the county clerk. Provides that the award of compensatory assessment reductions shall not affect the determination of the fair market value of the subject property or its assessed valuation once the compensatory assessment reductions have been exhausted.

LRB094 15730 BDD 50942 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 Sections 16-185 and 23-20 and by adding Section 12-37 as
6 follows:

7 (35 ILCS 200/12-37 new)

8 Sec. 12-37. Compensatory Assessment Reductions. Whenever,
9 as the result of a final order of the Property Tax Appeal Board
10 or any court, a property assessment is reduced for a tax year
11 for which the taxes have already been paid and the subject
12 property is still owned by the same person, entity, or a
13 successor entity, the chief county assessment officer shall
14 award to the taxpayer obtaining the order a compensatory
15 assessment reduction for the next assessment year available for
16 assessment adjustment.

17 The amount of the compensatory assessment reduction shall
18 be equal to the assessment reduction for the prior year or
19 years as ordered by Property Tax Appeal Board or court. If the
20 total amount of the ordered reductions exceeds the assessed
21 valuation for the subject parcel in the next available
22 assessment year, the chief county assessment officer shall
23 reduce the assessed value to zero dollars for that year and
24 thereafter reduce the assessed value of the subject property
25 for the next following assessment year or years until the
26 aggregate amount of the compensatory assessment reduction
27 equals the full amount of the assessment reductions ordered by
28 the Property Tax Appeal Board or court.

29 The award of compensatory assessment reductions under this
30 Section shall take place prior to and shall be considered in
31 the determination of tax rates by the county clerk. The award
32 of compensatory assessment reductions under this Section,

1 however, shall not affect the determination of the fair market
2 value of the subject property or its assessed valuation once
3 the compensatory assessment reductions required by this
4 Section have been exhausted.

5 (35 ILCS 200/16-185)

6 Sec. 16-185. Decisions. The Board shall make a decision in
7 each appeal or case appealed to it, and the decision shall be
8 based upon equity and the weight of evidence and not upon
9 constructive fraud, and shall be binding upon appellant and
10 officials of government. The extension of taxes on any
11 assessment so appealed shall not be delayed by any proceeding
12 before the Board, and, in case the assessment is altered by the
13 Board, any taxes extended upon the unauthorized assessment or
14 part thereof shall be abated, or, if already paid, shall be,
15 where applicable, the basis for a compensatory assessment
16 reduction under Section 12-37 or shall be refunded with
17 interest as provided in Section 23-20.

18 The decision or order of the Property Tax Appeal Board in
19 any such appeal, shall, within 10 days thereafter, be certified
20 at no charge to the appellant and to the proper authorities,
21 including the board of review or board of appeals whose
22 decision was appealed, the county clerk who extends taxes upon
23 the assessment in question, and the county collector who
24 collects property taxes upon such assessment.

25 If the Property Tax Appeal Board renders a decision
26 lowering the assessment of a particular parcel after the
27 deadline for filing complaints with the board of review or
28 board of appeals or after adjournment of the session of the
29 board of review or board of appeals at which assessments for
30 the subsequent year are being considered, the taxpayer may,
31 within 30 days after the date of written notice of the Property
32 Tax Appeal Board's decision, appeal the assessment for the
33 subsequent year directly to the Property Tax Appeal Board.

34 If the Property Tax Appeal Board renders a decision
35 lowering the assessment of a particular parcel on which a

1 residence occupied by the owner is situated, such reduced
2 assessment, subject to equalization, shall remain in effect for
3 the remainder of the general assessment period as provided in
4 Sections 9-215 through 9-225, unless that parcel is
5 subsequently sold in an arm's length transaction establishing a
6 fair cash value for the parcel that is different from the fair
7 cash value on which the Board's assessment is based, or unless
8 the decision of the Property Tax Appeal Board is reversed or
9 modified upon review.

10 (Source: P.A. 88-455; 88-660, eff. 9-16-94; 89-671, eff.
11 8-14-96.)

12 (35 ILCS 200/23-20)

13 Sec. 23-20. Effect of protested payments; refunds. No
14 protest shall prevent or be a cause of delay in the
15 distribution of tax collections to the taxing districts of any
16 taxes collected which were not paid under protest. If the final
17 order of the Property Tax Appeal Board or of a court results in
18 a refund to the taxpayer due to an illegal rate or due to an
19 assessment reduction to the extent a compensatory assessment
20 reduction is not awardable, refunds shall be made by the
21 collector from funds remaining in the Protest Fund until such
22 funds are exhausted and thereafter from the next funds
23 collected after entry of the final order until full payment of
24 the refund and interest thereon has been made. Interest from
25 the date of payment, regardless of whether the payment was made
26 before the effective date of this amendatory Act of 1997, or
27 from the date payment is due, whichever is later, to the date
28 of refund shall also be paid to the taxpayer at the annual rate
29 of the lesser of (i) 5% or (ii) the percentage increase in the
30 Consumer Price Index For All Urban Consumers during the
31 12-month calendar year preceding the levy year for which the
32 refund was made, as published by the federal Bureau of Labor
33 Statistics.

34 If the final order of the Property Tax Appeal Board or of a
35 court reduces a taxpayer's assessment for a tax year for which

1 the taxes have already been paid and the subject property is
2 still owned by the same person, entity, or a successor entity,
3 then the taxpayer shall be awarded a compensatory assessment
4 reduction as provided in Section 12-37.

5 (Source: P.A. 94-558, eff. 1-1-06.)