



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB5571

Introduced 2/3/2006, by Rep. Gary Hannig

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-173 new
30 ILCS 805/8.30 new

Amends the Property Tax Code. Creates the Veterans' Homestead Assessment Freeze Exemption. Beginning in taxable year 2005, an assessment freeze exemption is granted for residential real property that is owned by veteran or leased by a lessee who is veteran who has a legal or equitable ownership interest in the property as lessee and is liable for the payment of real property taxes on that property. Provides that the amount of this exemption is the equalized assessed value of the property in the taxable year for which application is made minus the base amount. Defines "base amount" as the base year equalized assessed value of the property plus the first year's equalized assessed value of any added improvements that increased the assessed value of the property after the base year. Defines "base year" as the taxable year prior to the taxable year for which the veteran first qualifies and applies for the exemption. Sets forth application procedures for the exemption. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB094 19515 BDD 55402 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 adding
5 Section 15-173 as follows:

6 (35 ILCS 200/15-173 new)

7 Sec. 15-173. Veterans' Homestead Assessment Freeze
8 Exemption.

9 (a) This Section may be cited as the Veterans' Homestead
10 Assessment Freeze Exemption.

11 (b) As used in this Section:

12 "Base amount" means the base year equalized assessed value
13 of the property plus the first year's equalized assessed value
14 of any added improvements that increased the assessed value of
15 the property after the base year.

16 "Base year" means the taxable year prior to the taxable
17 year for which the veteran first qualifies and applies for the
18 exemption. If in any subsequent taxable year for which the
19 veteran applies and qualifies for the exemption the equalized
20 assessed value of the property is less than the equalized
21 assessed value in the existing base year (provided that the
22 equalized assessed value is not based on an assessed value that
23 results from a temporary irregularity in the property that
24 reduces the assessed value for one or more taxable years), then
25 that subsequent taxable year shall become the base year until a
26 new base year is established under the terms of this paragraph.

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

29 "Taxable year" means the calendar year during which ad
30 valorem property taxes payable in the next succeeding year are
31 levied.

32 "Veteran" means an Illinois resident who has served as a

1 member of the United States Armed Forces on active duty or
2 State active duty, a member of the Illinois National Guard, or
3 a member of the United States Reserve Forces and who is
4 currently on active duty or has received an honorable
5 discharge.

6 (c) Beginning in taxable year 2005, an assessment freeze
7 exemption is granted for real property that is owned by a
8 veteran and used as the veteran's residence. This assessment
9 freeze exemption also applies to a leasehold interest in a
10 parcel of property if the lessee is a veteran who has a legal
11 or equitable ownership interest in the property as lessee, uses
12 the property as a residence, and is liable for the payment of
13 real property taxes on that property.

14 The amount of this exemption is the equalized assessed
15 value of the property in the taxable year for which application
16 is made minus the base amount.

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

23 In counties having 3,000,000 or more inhabitants, to
24 receive the exemption, a person may submit an application to
25 the chief county assessment officer of the county in which the
26 property is located during such period as may be specified by
27 the chief county assessment officer. The chief county
28 assessment officer in counties of 3,000,000 or more inhabitants
29 shall annually give notice of the application period by mail or
30 by publication.

31 In counties having less than 3,000,000 inhabitants, to
32 receive the exemption, a person must submit an application by
33 July 1 of each taxable year to the chief county assessment
34 officer of the county in which the property is located. A
35 county may, by ordinance, establish a date for submission of
36 applications that is different than July 1. The veteran shall

1 submit with the application an affidavit of the applicant's
2 legal or equitable ownership interest in the property as owner
3 or lessee. The applications shall be clearly marked as
4 applications for the Veterans' Homestead Assessment Freeze
5 Exemption.

6 (d) Each chief county assessment officer shall annually
7 publish a notice of availability of the exemption provided
8 under this Section. The notice shall be published at least 60
9 days but no more than 75 days prior to the date on which the
10 application must be submitted to the chief county assessment
11 officer of the county in which the property is located. The
12 notice shall appear in a newspaper of general circulation in
13 the county.

14 (e) Notwithstanding Sections 6 and 8 of the State Mandates
15 Act, no reimbursement by the State is required for the
16 implementation of any mandate created by this Section.

17 Section 90. The State Mandates Act is amended by adding
18 Section 8.30 as follows:

19 (30 ILCS 805/8.30 new)

20 Sec. 8.30. Exempt mandate. Notwithstanding Sections 6 and 8
21 of this Act, no reimbursement by the State is required for the
22 implementation of any mandate created by this amendatory Act of
23 the 94th General Assembly.

24 Section 99. Effective date. This Act takes effect upon
25 becoming law.