



Sen. Terry Link

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1 AMENDMENT TO SENATE BILL 700

2 AMENDMENT NO. _____. Amend Senate Bill 700 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Property Tax Code is amended by changing
5 Sections 15-170 and 15-176 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 thereafter, the maximum reduction shall be

1 \$3,000 in all counties. For land improved with an apartment
2 building owned and operated as a cooperative, the maximum
3 reduction from the value of the property, as equalized by the
4 Department, shall be multiplied by the number of apartments or
5 units occupied by a person 65 years of age or older who is
6 liable, by contract with the owner or owners of record, for
7 paying property taxes on the property and is an owner of record
8 of a legal or equitable interest in the cooperative apartment
9 building, other than a leasehold interest. For land improved
10 with a life care facility, the maximum reduction from the value
11 of the property, as equalized by the Department, shall be
12 multiplied by the number of apartments or units occupied by
13 persons 65 years of age or older, irrespective of any legal,
14 equitable, or leasehold interest in the facility, who are
15 liable, under a contract with the owner or owners of record of
16 the facility, for paying property taxes on the property. In a
17 cooperative or a life care facility where a homestead exemption
18 has been granted, the cooperative association or the management
19 firm of the cooperative or facility shall credit the savings
20 resulting from that exemption only to the apportioned tax
21 liability of the owner or resident who qualified for the
22 exemption. Any person who willfully refuses to so credit the
23 savings shall be guilty of a Class B misdemeanor. Under this
24 Section and Sections 15-175 and 15-176, "life care facility"
25 means a facility as defined in Section 2 of the Life Care
26 Facilities Act, with which the applicant for the homestead
27 exemption has a life care contract as defined in that Act.

28 When a homestead exemption has been granted under this
29 Section and the person qualifying subsequently becomes a
30 resident of a facility licensed under the Nursing Home Care
31 Act, the exemption shall continue so long as the residence
32 continues to be occupied by the qualifying person's spouse if
33 the spouse is 65 years of age or older, or if the residence
34 remains unoccupied but is still owned by the person qualified

1 for the homestead exemption.

2 A person who will be 65 years of age during the current
3 assessment year shall be eligible to apply for the homestead
4 exemption during that assessment year. Application shall be
5 made during the application period in effect for the county of
6 his residence.

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

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

28 The chief county assessment officer of each county with
29 less than 3,000,000 inhabitants shall provide to each person
30 allowed a homestead exemption under this Section a form to
31 designate any other person to receive a duplicate of any notice
32 of delinquency in the payment of taxes assessed and levied
33 under this Code on the property of the person receiving the
34 exemption. The duplicate notice shall be in addition to the

1 notice required to be provided to the person receiving the
2 exemption, and shall be given in the manner required by this
3 Code. The person filing the request for the duplicate notice
4 shall pay a fee of \$5 to cover administrative costs to the
5 supervisor of assessments, who shall then file the executed
6 designation with the county collector. Notwithstanding any
7 other provision of this Code to the contrary, the filing of
8 such an executed designation requires the county collector to
9 provide duplicate notices as indicated by the designation. A
10 designation may be rescinded by the person who executed such
11 designation at any time, in the manner and form required by the
12 chief county assessment officer.

13 The assessor or chief county assessment officer may
14 determine the eligibility of residential property to receive
15 the homestead exemption provided by this Section by
16 application, visual inspection, questionnaire or other
17 reasonable methods. The determination shall be made in
18 accordance with guidelines established by the Department.

19 In all counties ~~with less than 3,000,000 inhabitants~~, the
20 county board may by resolution provide that if a person has
21 been granted a homestead exemption under this Section, the
22 person qualifying need not reapply for the exemption.

23 In counties with less than 3,000,000 inhabitants, if the
24 assessor or chief county assessment officer requires annual
25 application for verification of eligibility for an exemption
26 once granted under this Section, the application shall be
27 mailed to the taxpayer.

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

1 deferral of real estate taxes may be obtained from the county
2 collector.

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

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

8 (35 ILCS 200/15-176)

9 Sec. 15-176. Alternative general homestead exemption.

10 (a) ~~In For the assessment years as determined under~~
11 ~~subsection (j), in~~ any county that has elected, by an ordinance
12 in accordance with subsection (k), to be subject to the
13 provisions of this Section in lieu of the provisions of Section
14 15-175, homestead property is entitled to an annual homestead
15 exemption equal to a reduction in the property's equalized
16 assessed value calculated as provided in this Section.

17 (b) As used in this Section:

18 (1) "Assessor" means the supervisor of assessments or
19 the chief county assessment officer of each county.

20 (2) "Adjusted homestead value" means the lesser of the
21 following values:

22 (A) The property's base homestead value increased
23 by 7% for each tax year after the base year through and
24 including the current tax year, or, if the property is
25 sold or ownership is otherwise transferred, the
26 property's base homestead value increased by 7% for
27 each tax year after the year of the sale or transfer
28 through and including the current tax year. The
29 increase by 7% each year is an increase by 7% over the
30 prior year.

31 (B) The property's equalized assessed value for
32 the current tax year minus (i) \$4,500 in Cook County or
33 \$3,500 in all other counties in tax year 2003 or (ii)

1 \$5,000 in all counties in tax year 2004 and thereafter.

2 (3) "Base homestead value".

3 (A) Except as provided in subdivision (b) (3) (B),
4 "base homestead value" means the equalized assessed
5 value of the property for the base year prior to
6 exemptions, minus (i) \$4,500 in Cook County or \$3,500
7 in all other counties in tax year 2003 or (ii) \$5,000
8 in all counties in tax year 2004 and thereafter,
9 provided that it was assessed for that year as
10 residential property qualified for any of the
11 homestead exemptions under Sections 15-170 through
12 15-175 of this Code, then in force, and further
13 provided that the property's assessment was not based
14 on a reduced assessed value resulting from a temporary
15 irregularity in the property for that year. Except as
16 provided in subdivision (b) (3) (B), if the property did
17 not have a residential equalized assessed value for the
18 base year, then "base homestead value" means the base
19 homestead value established by the assessor under
20 subsection (c).

21 (B) If the property is sold or ownership is
22 otherwise transferred, other than sales or transfers
23 between spouses or between a parent and a child, "base
24 homestead value" means the equalized assessed value of
25 the property at the time of the sale or transfer prior
26 to exemptions, minus (i) \$4,500 in Cook County or
27 \$3,500 in all other counties in tax year 2003 or (ii)
28 \$5,000 in all counties in tax year 2004 and thereafter,
29 provided that it was assessed as residential property
30 qualified for any of the homestead exemptions under
31 Sections 15-170 through 15-175 of this Code, then in
32 force, and further provided that the property's
33 assessment was not based on a reduced assessed value
34 resulting from a temporary irregularity in the

1 property.

2 (3.5) "Base year" means (i) tax year 2002 in Cook
3 County or (ii) ~~tax year 2002 or 2003~~ in all other counties,
4 ~~the tax year designated in accordance with the designation~~
5 ~~made~~ by the county as provided in subsection (k).

6 (4) "Current tax year" means the tax year for which the
7 exemption under this Section is being applied.

8 (5) "Equalized assessed value" means the property's
9 assessed value as equalized by the Department.

10 (6) "Homestead" or "homestead property" means:

11 (A) Residential property that as of January 1 of
12 the tax year is occupied by its owner or owners as his,
13 her, or their principal dwelling place, or that is a
14 leasehold interest on which a single family residence
15 is situated, that is occupied as a residence by a
16 person who has a legal or equitable interest therein
17 evidenced by a written instrument, as an owner or as a
18 lessee, and on which the person is liable for the
19 payment of property taxes. Residential units in an
20 apartment building owned and operated as a
21 cooperative, or as a life care facility, which are
22 occupied by persons who hold a legal or equitable
23 interest in the cooperative apartment building or life
24 care facility as owners or lessees, and who are liable
25 by contract for the payment of property taxes, shall be
26 included within this definition of homestead property.

27 (B) A homestead includes the dwelling place,
28 appurtenant structures, and so much of the surrounding
29 land constituting the parcel on which the dwelling
30 place is situated as is used for residential purposes.
31 If the assessor has established a specific legal
32 description for a portion of property constituting the
33 homestead, then the homestead shall be limited to the
34 property within that description.

1 (7) "Life care facility" means a facility as defined in
2 Section 2 of the Life Care Facilities Act.

3 (c) If the property did not have a residential equalized
4 assessed value for the base year as provided in subdivision
5 (b) (3) (A) of this Section, then the assessor shall first
6 determine an initial value for the property by comparison with
7 assessed values for the base year of other properties having
8 physical and economic characteristics similar to those of the
9 subject property, so that the initial value is uniform in
10 relation to assessed values of those other properties for the
11 base year. The product of the initial value multiplied by the
12 equalized factor for the base year for homestead properties in
13 that county, less (i) \$4,500 in Cook County or \$3,500 in all
14 other counties in tax year 2003 or (ii) \$5,000 in all counties
15 in tax year 2004 and thereafter, is the base homestead value.

16 For any tax year for which the assessor determines or
17 adjusts an initial value and hence a base homestead value under
18 this subsection (c), the initial value shall be subject to
19 review by the same procedures applicable to assessed values
20 established under this Code for that tax year.

21 (d) The base homestead value shall remain constant, except
22 that the assessor may revise it under the following
23 circumstances:

24 (1) If the equalized assessed value of a homestead
25 property for the current tax year is less than the previous
26 base homestead value for that property, then the current
27 equalized assessed value (provided it is not based on a
28 reduced assessed value resulting from a temporary
29 irregularity in the property) shall become the base
30 homestead value in subsequent tax years.

31 (2) For any year in which new buildings, structures, or
32 other improvements are constructed on the homestead
33 property that would increase its assessed value, the
34 assessor shall adjust the base homestead value as provided

1 in subsection (c) of this Section with due regard to the
2 value added by the new improvements.

3 (3) If the property is sold or ownership is otherwise
4 transferred, the base homestead value of the property shall
5 be adjusted as provided in subdivision (b) (3) (B). This item
6 (3) does not apply to sales or transfers between spouses or
7 between a parent and a child.

8 (e) The amount of the exemption under this Section is the
9 equalized assessed value of the homestead property for the
10 current tax year, minus the adjusted homestead value, with the
11 following exceptions:

12 (1) In Cook County, the ~~The~~ exemption under this
13 Section shall not exceed \$20,000 for any taxable year
14 through tax year:

15 (i) 2005, if the general assessment year for the
16 property is 2003;

17 (ii) 2006, if the general assessment year for the
18 property is 2004; or

19 (iii) 2007, if the general assessment year for the
20 property is 2005.

21 Thereafter, in Cook County, the \$20,000 limitation does not
22 apply. For all tax years in all other counties, the \$20,000
23 limitation does not apply.

24 (2) In the case of homestead property that also
25 qualifies for the exemption under Section 15-172, the
26 property is entitled to the exemption under this Section,
27 limited to the amount of (i) \$4,500 in Cook County or
28 \$3,500 in all other counties in tax year 2003 or (ii)
29 \$5,000 in all counties in tax year 2004 and thereafter.

30 (f) In the case of an apartment building owned and operated
31 as a cooperative, or as a life care facility, that contains
32 residential units that qualify as homestead property under this
33 Section, the maximum cumulative exemption amount attributed to
34 the entire building or facility shall not exceed the sum of the

1 exemptions calculated for each qualified residential unit. The
2 cooperative association, management firm, or other person or
3 entity that manages or controls the cooperative apartment
4 building or life care facility shall credit the exemption
5 attributable to each residential unit only to the apportioned
6 tax liability of the owner or other person responsible for
7 payment of taxes as to that unit. Any person who willfully
8 refuses to so credit the exemption is guilty of a Class B
9 misdemeanor.

10 (g) When married persons maintain separate residences, the
11 exemption provided under this Section shall be claimed by only
12 one such person and for only one residence.

13 (h) In the event of a sale or other transfer in ownership
14 of the homestead property, the exemption under this Section
15 shall remain in effect for the remainder of the tax year in
16 which the sale or transfer occurs, but (other than for sales or
17 transfers between spouses or between a parent and a child)
18 shall be calculated using the new base homestead value as
19 provided in subdivision (b) (3) (B). The assessor may require the
20 new owner of the property to apply for the exemption in the
21 following year.

22 (i) The assessor may determine whether property qualifies
23 as a homestead under this Section by application, visual
24 inspection, questionnaire, or other reasonable methods. Each
25 year, at the time the assessment books are certified to the
26 county clerk by the board of review, the assessor shall furnish
27 to the county clerk a list of the properties qualified for the
28 homestead exemption under this Section. The list shall note the
29 base homestead value of each property to be used in the
30 calculation of the exemption for the current tax year.

31 (j) The ~~In counties with 3,000,000 or more inhabitants, the~~
32 provisions of this Section apply until such time that the
33 county adopts an ordinance under subsection (k) to subject
34 itself to the provisions of Section 15-175 in lieu of this

1 Section. ~~as follows:~~

2 ~~(1) If the general assessment year for the property is~~
3 ~~2003, this Section applies for assessment years 2003, 2004,~~
4 ~~and 2005. Thereafter, the provisions of Section 15-175~~
5 ~~apply.~~

6 ~~(2) If the general assessment year for the property is~~
7 ~~2004, this Section applies for assessment years 2004, 2005,~~
8 ~~and 2006. Thereafter, the provisions of Section 15-175~~
9 ~~apply.~~

10 ~~(3) If the general assessment year for the property is~~
11 ~~2005, this Section applies for assessment years 2005, 2006,~~
12 ~~and 2007. Thereafter, the provisions of Section 15-175~~
13 ~~apply.~~

14 ~~In counties with less than 3,000,000 inhabitants, this~~
15 ~~Section applies for assessment years (i) 2003, 2004, and 2005~~
16 ~~if 2002 is the designated base year or (ii) 2004, 2005, and~~
17 ~~2006 if 2003 is the designated base year. Thereafter, the~~
18 ~~provisions of Section 15-175 apply.~~

19 (k) To be subject to the provisions of this Section in lieu
20 of Section 15-175, a county must adopt an ordinance to subject
21 itself to the provisions of this Section ~~within 6 months after~~
22 ~~the effective date of this amendatory Act of the 93rd General~~
23 ~~Assembly.~~

24 In a county other than Cook County, the ordinance must
25 designate either tax year 2002 or tax year 2003 as the base
26 year if the ordinance was adopted on or before December 31,
27 2005. If the ordinance was adopted on or after January 1, 2006,
28 the ordinance must designate, as the base year, the tax year
29 immediately preceding the tax year in which the ordinance was
30 adopted.

31 A county that is subject to the provisions of this Section
32 may adopt an ordinance to subject itself to the provisions of
33 Section 15-175 in lieu of this Section. Any such ordinance may
34 not take effect until the tax year immediately following the

1 tax year in which the ordinance was adopted.

2 (1) Notwithstanding Sections 6 and 8 of the State Mandates
3 Act, no reimbursement by the State is required for the
4 implementation of any mandate created by this Section.

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

6 Section 99. Effective date. This Act takes effect upon
7 becoming law."