

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 18-165 and 18-185 and by adding Division 14 to Article
6 10 as follows:

7 (35 ILCS 200/Art. 10 Div. 14 heading new)

8 DIVISION 14. VALUATION OF CERTAIN LEASES OF EXEMPT PROPERTY

9 (35 ILCS 200/10-365 new)

10 Sec. 10-365. U.S. Military Public/Private Residential
11 Developments. PPV Leases must be classified and valued as set
12 forth in Sections 10-370 through 10-380 during the period
13 beginning January 1, 2006 and ending with the earlier of the
14 year 50 years after the base year or the year in which a PPV
15 Lease terminates.

16 (35 ILCS 200/10-370 new)

17 Sec. 10-370. Definitions. For the purposes of this Division
18 14:

19 "PPV Lease" means a leasehold interest in property that is
20 exempt from taxation under Section 15-50 of this Code and that
21 is leased, pursuant to authority set forth in Section 2878 of
22 Chapter 10 of the United States Code, to another whose property
23 is not exempt for the purpose of, after January 1, 2006, the
24 design, finance, construction, renovation, management,
25 operation, and maintenance of rental housing units and
26 associated improvements at, among other facilities, naval
27 training facilities in the State of Illinois.

28 "Net operating income" means all revenues received minus
29 the lesser of (i) 39% of all revenues or (ii) expenses before
30 interest, taxes, depreciation, and amortization.

1 "Tax load factor" means the level of assessment, as set
2 forth under item (b) of Section 9-145 or under Section 9-150,
3 multiplied by the cumulative tax rate for the current taxable
4 year.

5 (35 ILCS 200/10-375 new)

6 Sec. 10-375. Valuation.

7 (a) A PPV Lease must be valued at its fair cash value, as
8 provided under item (b) of Section 9-145 or under Section
9 9-150.

10 (b) The fair cash value of a PPV Lease must be determined
11 by using an income capitalization approach. To determine the
12 fair cash value of a PPV Lease, the net operating income is
13 divided by (i) a rate of 5.75% plus (ii) the actual or most
14 recently ascertainable tax load factor for the subject year.

15 (c) By April 15 of each year, the holder of a PPV Lease
16 must report to the chief county assessment officer in each
17 county in which the leasehold property is located the annual
18 gross income and expenses derived and incurred from the PPV
19 Lease, including the rental of leased property for each
20 military housing facility subject to a PPV Lease.

21 (35 ILCS 200/10-380 new)

22 Sec. 10-380. For the taxable years 2006, 2007, 2008, and
23 2009, the chief county assessment officer in the county in
24 which property subject to a PPV Lease is located shall apply
25 the provisions of this Division 14 in assessing and determining
26 the value of any qualified property for purposes of the
27 property tax laws of this State.

28 (35 ILCS 200/18-165)

29 Sec. 18-165. Abatement of taxes.

30 (a) Any taxing district, upon a majority vote of its
31 governing authority, may, after the determination of the
32 assessed valuation of its property, order the clerk of that
33 county to abate any portion of its taxes on the following types

1 of property:

2 (1) Commercial and industrial.

3 (A) The property of any commercial or industrial
4 firm, including but not limited to the property of (i)
5 any firm that is used for collecting, separating,
6 storing, or processing recyclable materials, locating
7 within the taxing district during the immediately
8 preceding year from another state, territory, or
9 country, or having been newly created within this State
10 during the immediately preceding year, or expanding an
11 existing facility, or (ii) any firm that is used for
12 the generation and transmission of electricity
13 locating within the taxing district during the
14 immediately preceding year or expanding its presence
15 within the taxing district during the immediately
16 preceding year by construction of a new electric
17 generating facility that uses natural gas as its fuel,
18 or any firm that is used for production operations at a
19 new, expanded, or reopened coal mine within the taxing
20 district, that has been certified as a High Impact
21 Business by the Illinois Department of Commerce and
22 Economic Opportunity ~~Community Affairs~~. The property
23 of any firm used for the generation and transmission of
24 electricity shall include all property of the firm used
25 for transmission facilities as defined in Section 5.5
26 of the Illinois Enterprise Zone Act. The abatement
27 shall not exceed a period of 10 years and the aggregate
28 amount of abated taxes for all taxing districts
29 combined shall not exceed \$4,000,000.

30 (A-5) Any property in the taxing district of a new
31 electric generating facility, as defined in Section
32 605-332 of the Department of Commerce and Economic
33 Opportunity ~~Community Affairs~~ Law of the Civil
34 Administrative Code of Illinois. The abatement shall
35 not exceed a period of 10 years. The abatement shall be
36 subject to the following limitations:

1 (i) if the equalized assessed valuation of the
2 new electric generating facility is equal to or
3 greater than \$25,000,000 but less than
4 \$50,000,000, then the abatement may not exceed (i)
5 over the entire term of the abatement, 5% of the
6 taxing district's aggregate taxes from the new
7 electric generating facility and (ii) in any one
8 year of abatement, 20% of the taxing district's
9 taxes from the new electric generating facility;

10 (ii) if the equalized assessed valuation of
11 the new electric generating facility is equal to or
12 greater than \$50,000,000 but less than
13 \$75,000,000, then the abatement may not exceed (i)
14 over the entire term of the abatement, 10% of the
15 taxing district's aggregate taxes from the new
16 electric generating facility and (ii) in any one
17 year of abatement, 35% of the taxing district's
18 taxes from the new electric generating facility;

19 (iii) if the equalized assessed valuation of
20 the new electric generating facility is equal to or
21 greater than \$75,000,000 but less than
22 \$100,000,000, then the abatement may not exceed
23 (i) over the entire term of the abatement, 20% of
24 the taxing district's aggregate taxes from the new
25 electric generating facility and (ii) in any one
26 year of abatement, 50% of the taxing district's
27 taxes from the new electric generating facility;

28 (iv) if the equalized assessed valuation of
29 the new electric generating facility is equal to or
30 greater than \$100,000,000 but less than
31 \$125,000,000, then the abatement may not exceed
32 (i) over the entire term of the abatement, 30% of
33 the taxing district's aggregate taxes from the new
34 electric generating facility and (ii) in any one
35 year of abatement, 60% of the taxing district's
36 taxes from the new electric generating facility;

1 (v) if the equalized assessed valuation of the
2 new electric generating facility is equal to or
3 greater than \$125,000,000 but less than
4 \$150,000,000, then the abatement may not exceed
5 (i) over the entire term of the abatement, 40% of
6 the taxing district's aggregate taxes from the new
7 electric generating facility and (ii) in any one
8 year of abatement, 60% of the taxing district's
9 taxes from the new electric generating facility;

10 (vi) if the equalized assessed valuation of
11 the new electric generating facility is equal to or
12 greater than \$150,000,000, then the abatement may
13 not exceed (i) over the entire term of the
14 abatement, 50% of the taxing district's aggregate
15 taxes from the new electric generating facility
16 and (ii) in any one year of abatement, 60% of the
17 taxing district's taxes from the new electric
18 generating facility.

19 The abatement is not effective unless the owner of
20 the new electric generating facility agrees to repay to
21 the taxing district all amounts previously abated,
22 together with interest computed at the rate and in the
23 manner provided for delinquent taxes, in the event that
24 the owner of the new electric generating facility
25 closes the new electric generating facility before the
26 expiration of the entire term of the abatement.

27 The authorization of taxing districts to abate
28 taxes under this subdivision (a) (1) (A-5) expires on
29 January 1, 2010.

30 (B) The property of any commercial or industrial
31 development of at least 500 acres having been created
32 within the taxing district. The abatement shall not
33 exceed a period of 20 years and the aggregate amount of
34 abated taxes for all taxing districts combined shall
35 not exceed \$12,000,000.

36 (C) The property of any commercial or industrial

1 firm currently located in the taxing district that
2 expands a facility or its number of employees. The
3 abatement shall not exceed a period of 10 years and the
4 aggregate amount of abated taxes for all taxing
5 districts combined shall not exceed \$4,000,000. The
6 abatement period may be renewed at the option of the
7 taxing districts.

8 (2) Horse racing. Any property in the taxing district
9 which is used for the racing of horses and upon which
10 capital improvements consisting of expansion, improvement
11 or replacement of existing facilities have been made since
12 July 1, 1987. The combined abatements for such property
13 from all taxing districts in any county shall not exceed
14 \$5,000,000 annually and shall not exceed a period of 10
15 years.

16 (3) Auto racing. Any property designed exclusively for
17 the racing of motor vehicles. Such abatement shall not
18 exceed a period of 10 years.

19 (4) Academic or research institute. The property of any
20 academic or research institute in the taxing district that
21 (i) is an exempt organization under paragraph (3) of
22 Section 501(c) of the Internal Revenue Code, (ii) operates
23 for the benefit of the public by actually and exclusively
24 performing scientific research and making the results of
25 the research available to the interested public on a
26 non-discriminatory basis, and (iii) employs more than 100
27 employees. An abatement granted under this paragraph shall
28 be for at least 15 years and the aggregate amount of abated
29 taxes for all taxing districts combined shall not exceed
30 \$5,000,000.

31 (5) Housing for older persons. Any property in the
32 taxing district that is devoted exclusively to affordable
33 housing for older households. For purposes of this
34 paragraph, "older households" means those households (i)
35 living in housing provided under any State or federal
36 program that the Department of Human Rights determines is

1 specifically designed and operated to assist elderly
2 persons and is solely occupied by persons 55 years of age
3 or older and (ii) whose annual income does not exceed 80%
4 of the area gross median income, adjusted for family size,
5 as such gross income and median income are determined from
6 time to time by the United States Department of Housing and
7 Urban Development. The abatement shall not exceed a period
8 of 15 years, and the aggregate amount of abated taxes for
9 all taxing districts shall not exceed \$3,000,000.

10 (6) Historical society. For assessment years 1998
11 through 2008, the property of an historical society
12 qualifying as an exempt organization under Section
13 501(c)(3) of the federal Internal Revenue Code.

14 (7) Recreational facilities. Any property in the
15 taxing district (i) that is used for a municipal airport,
16 (ii) that is subject to a leasehold assessment under
17 Section 9-195 of this Code and (iii) which is sublet from a
18 park district that is leasing the property from a
19 municipality, but only if the property is used exclusively
20 for recreational facilities or for parking lots used
21 exclusively for those facilities. The abatement shall not
22 exceed a period of 10 years.

23 (8) Relocated corporate headquarters. If approval
24 occurs within 5 years after the effective date of this
25 amendatory Act of the 92nd General Assembly, any property
26 or a portion of any property in a taxing district that is
27 used by an eligible business for a corporate headquarters
28 as defined in the Corporate Headquarters Relocation Act.
29 Instead of an abatement under this paragraph (8), a taxing
30 district may enter into an agreement with an eligible
31 business to make annual payments to that eligible business
32 in an amount not to exceed the property taxes paid directly
33 or indirectly by that eligible business to the taxing
34 district and any other taxing districts for premises
35 occupied pursuant to a written lease and may make those
36 payments without the need for an annual appropriation. No

1 school district, however, may enter into an agreement with,
2 or abate taxes for, an eligible business unless the
3 municipality in which the corporate headquarters is
4 located agrees to provide funding to the school district in
5 an amount equal to the amount abated or paid by the school
6 district as provided in this paragraph (8). Any abatement
7 ordered or agreement entered into under this paragraph (8)
8 may be effective for the entire term specified by the
9 taxing district, except the term of the abatement or annual
10 payments may not exceed 20 years.

11 (9) United States Military Public/Private Residential
12 Developments. Each building or structure designed,
13 financed, constructed, renovated, managed, operated, or
14 maintained after January 1, 2006 under a "PPV Lease", as
15 set forth under Division 14 of Article 10.

16 (b) Upon a majority vote of its governing authority, any
17 municipality may, after the determination of the assessed
18 valuation of its property, order the county clerk to abate any
19 portion of its taxes on any property that is located within the
20 corporate limits of the municipality in accordance with Section
21 8-3-18 of the Illinois Municipal Code.

22 (Source: P.A. 92-12, eff. 7-1-01; 92-207, eff. 8-1-01; 92-247,
23 eff. 8-3-01; 92-651, eff. 7-11-02; 93-270, eff. 7-22-03;
24 revised 12-6-03.)

25 (35 ILCS 200/18-185)

26 Sec. 18-185. Short title; definitions. This Division 5 may
27 be cited as the Property Tax Extension Limitation Law. As used
28 in this Division 5:

29 "Consumer Price Index" means the Consumer Price Index for
30 All Urban Consumers for all items published by the United
31 States Department of Labor.

32 "Extension limitation" means (a) the lesser of 5% or the
33 percentage increase in the Consumer Price Index during the
34 12-month calendar year preceding the levy year or (b) the rate
35 of increase approved by voters under Section 18-205.

1 "Affected county" means a county of 3,000,000 or more
2 inhabitants or a county contiguous to a county of 3,000,000 or
3 more inhabitants.

4 "Taxing district" has the same meaning provided in Section
5 1-150, except as otherwise provided in this Section. For the
6 1991 through 1994 levy years only, "taxing district" includes
7 only each non-home rule taxing district having the majority of
8 its 1990 equalized assessed value within any county or counties
9 contiguous to a county with 3,000,000 or more inhabitants.
10 Beginning with the 1995 levy year, "taxing district" includes
11 only each non-home rule taxing district subject to this Law
12 before the 1995 levy year and each non-home rule taxing
13 district not subject to this Law before the 1995 levy year
14 having the majority of its 1994 equalized assessed value in an
15 affected county or counties. Beginning with the levy year in
16 which this Law becomes applicable to a taxing district as
17 provided in Section 18-213, "taxing district" also includes
18 those taxing districts made subject to this Law as provided in
19 Section 18-213.

20 "Aggregate extension" for taxing districts to which this
21 Law applied before the 1995 levy year means the annual
22 corporate extension for the taxing district and those special
23 purpose extensions that are made annually for the taxing
24 district, excluding special purpose extensions: (a) made for
25 the taxing district to pay interest or principal on general
26 obligation bonds that were approved by referendum; (b) made for
27 any taxing district to pay interest or principal on general
28 obligation bonds issued before October 1, 1991; (c) made for
29 any taxing district to pay interest or principal on bonds
30 issued to refund or continue to refund those bonds issued
31 before October 1, 1991; (d) made for any taxing district to pay
32 interest or principal on bonds issued to refund or continue to
33 refund bonds issued after October 1, 1991 that were approved by
34 referendum; (e) made for any taxing district to pay interest or
35 principal on revenue bonds issued before October 1, 1991 for
36 payment of which a property tax levy or the full faith and

1 credit of the unit of local government is pledged; however, a
2 tax for the payment of interest or principal on those bonds
3 shall be made only after the governing body of the unit of
4 local government finds that all other sources for payment are
5 insufficient to make those payments; (f) made for payments
6 under a building commission lease when the lease payments are
7 for the retirement of bonds issued by the commission before
8 October 1, 1991, to pay for the building project; (g) made for
9 payments due under installment contracts entered into before
10 October 1, 1991; (h) made for payments of principal and
11 interest on bonds issued under the Metropolitan Water
12 Reclamation District Act to finance construction projects
13 initiated before October 1, 1991; (i) made for payments of
14 principal and interest on limited bonds, as defined in Section
15 3 of the Local Government Debt Reform Act, in an amount not to
16 exceed the debt service extension base less the amount in items
17 (b), (c), (e), and (h) of this definition for non-referendum
18 obligations, except obligations initially issued pursuant to
19 referendum; (j) made for payments of principal and interest on
20 bonds issued under Section 15 of the Local Government Debt
21 Reform Act; (k) made by a school district that participates in
22 the Special Education District of Lake County, created by
23 special education joint agreement under Section 10-22.31 of the
24 School Code, for payment of the school district's share of the
25 amounts required to be contributed by the Special Education
26 District of Lake County to the Illinois Municipal Retirement
27 Fund under Article 7 of the Illinois Pension Code; the amount
28 of any extension under this item (k) shall be certified by the
29 school district to the county clerk; (l) made to fund expenses
30 of providing joint recreational programs for the handicapped
31 under Section 5-8 of the Park District Code or Section 11-95-14
32 of the Illinois Municipal Code; (m) made for temporary
33 relocation loan repayment purposes pursuant to Sections 2-3.77
34 and 17-2.2d of the School Code; ~~and~~ (n) made for payment of
35 principal and interest on any bonds issued under the authority
36 of Section 17-2.2d of the School Code; and (o) ~~(m)~~ made for

1 contributions to a firefighter's pension fund created under
2 Article 4 of the Illinois Pension Code, to the extent of the
3 amount certified under item (5) of Section 4-134 of the
4 Illinois Pension Code.

5 "Aggregate extension" for the taxing districts to which
6 this Law did not apply before the 1995 levy year (except taxing
7 districts subject to this Law in accordance with Section
8 18-213) means the annual corporate extension for the taxing
9 district and those special purpose extensions that are made
10 annually for the taxing district, excluding special purpose
11 extensions: (a) made for the taxing district to pay interest or
12 principal on general obligation bonds that were approved by
13 referendum; (b) made for any taxing district to pay interest or
14 principal on general obligation bonds issued before March 1,
15 1995; (c) made for any taxing district to pay interest or
16 principal on bonds issued to refund or continue to refund those
17 bonds issued before March 1, 1995; (d) made for any taxing
18 district to pay interest or principal on bonds issued to refund
19 or continue to refund bonds issued after March 1, 1995 that
20 were approved by referendum; (e) made for any taxing district
21 to pay interest or principal on revenue bonds issued before
22 March 1, 1995 for payment of which a property tax levy or the
23 full faith and credit of the unit of local government is
24 pledged; however, a tax for the payment of interest or
25 principal on those bonds shall be made only after the governing
26 body of the unit of local government finds that all other
27 sources for payment are insufficient to make those payments;
28 (f) made for payments under a building commission lease when
29 the lease payments are for the retirement of bonds issued by
30 the commission before March 1, 1995 to pay for the building
31 project; (g) made for payments due under installment contracts
32 entered into before March 1, 1995; (h) made for payments of
33 principal and interest on bonds issued under the Metropolitan
34 Water Reclamation District Act to finance construction
35 projects initiated before October 1, 1991; (h-4) made for
36 stormwater management purposes by the Metropolitan Water

1 Reclamation District of Greater Chicago under Section 12 of the
2 Metropolitan Water Reclamation District Act; (i) made for
3 payments of principal and interest on limited bonds, as defined
4 in Section 3 of the Local Government Debt Reform Act, in an
5 amount not to exceed the debt service extension base less the
6 amount in items (b), (c), and (e) of this definition for
7 non-referendum obligations, except obligations initially
8 issued pursuant to referendum and bonds described in subsection
9 (h) of this definition; (j) made for payments of principal and
10 interest on bonds issued under Section 15 of the Local
11 Government Debt Reform Act; (k) made for payments of principal
12 and interest on bonds authorized by Public Act 88-503 and
13 issued under Section 20a of the Chicago Park District Act for
14 aquarium or museum projects; (l) made for payments of principal
15 and interest on bonds authorized by Public Act 87-1191 or
16 93-601 and (i) issued pursuant to Section 21.2 of the Cook
17 County Forest Preserve District Act, (ii) issued under Section
18 42 of the Cook County Forest Preserve District Act for
19 zoological park projects, or (iii) issued under Section 44.1 of
20 the Cook County Forest Preserve District Act for botanical
21 gardens projects; (m) made pursuant to Section 34-53.5 of the
22 School Code, whether levied annually or not; (n) made to fund
23 expenses of providing joint recreational programs for the
24 handicapped under Section 5-8 of the Park District Code or
25 Section 11-95-14 of the Illinois Municipal Code; (o) made by
26 the Chicago Park District for recreational programs for the
27 handicapped under subsection (c) of Section 7.06 of the Chicago
28 Park District Act; and (p) made for contributions to a
29 firefighter's pension fund created under Article 4 of the
30 Illinois Pension Code, to the extent of the amount certified
31 under item (5) of Section 4-134 of the Illinois Pension Code.

32 "Aggregate extension" for all taxing districts to which
33 this Law applies in accordance with Section 18-213, except for
34 those taxing districts subject to paragraph (2) of subsection
35 (e) of Section 18-213, means the annual corporate extension for
36 the taxing district and those special purpose extensions that

1 are made annually for the taxing district, excluding special
2 purpose extensions: (a) made for the taxing district to pay
3 interest or principal on general obligation bonds that were
4 approved by referendum; (b) made for any taxing district to pay
5 interest or principal on general obligation bonds issued before
6 the date on which the referendum making this Law applicable to
7 the taxing district is held; (c) made for any taxing district
8 to pay interest or principal on bonds issued to refund or
9 continue to refund those bonds issued before the date on which
10 the referendum making this Law applicable to the taxing
11 district is held; (d) made for any taxing district to pay
12 interest or principal on bonds issued to refund or continue to
13 refund bonds issued after the date on which the referendum
14 making this Law applicable to the taxing district is held if
15 the bonds were approved by referendum after the date on which
16 the referendum making this Law applicable to the taxing
17 district is held; (e) made for any taxing district to pay
18 interest or principal on revenue bonds issued before the date
19 on which the referendum making this Law applicable to the
20 taxing district is held for payment of which a property tax
21 levy or the full faith and credit of the unit of local
22 government is pledged; however, a tax for the payment of
23 interest or principal on those bonds shall be made only after
24 the governing body of the unit of local government finds that
25 all other sources for payment are insufficient to make those
26 payments; (f) made for payments under a building commission
27 lease when the lease payments are for the retirement of bonds
28 issued by the commission before the date on which the
29 referendum making this Law applicable to the taxing district is
30 held to pay for the building project; (g) made for payments due
31 under installment contracts entered into before the date on
32 which the referendum making this Law applicable to the taxing
33 district is held; (h) made for payments of principal and
34 interest on limited bonds, as defined in Section 3 of the Local
35 Government Debt Reform Act, in an amount not to exceed the debt
36 service extension base less the amount in items (b), (c), and

1 (e) of this definition for non-referendum obligations, except
2 obligations initially issued pursuant to referendum; (i) made
3 for payments of principal and interest on bonds issued under
4 Section 15 of the Local Government Debt Reform Act; (j) made
5 for a qualified airport authority to pay interest or principal
6 on general obligation bonds issued for the purpose of paying
7 obligations due under, or financing airport facilities
8 required to be acquired, constructed, installed or equipped
9 pursuant to, contracts entered into before March 1, 1996 (but
10 not including any amendments to such a contract taking effect
11 on or after that date); (k) made to fund expenses of providing
12 joint recreational programs for the handicapped under Section
13 5-8 of the Park District Code or Section 11-95-14 of the
14 Illinois Municipal Code; and (l) made for contributions to a
15 firefighter's pension fund created under Article 4 of the
16 Illinois Pension Code, to the extent of the amount certified
17 under item (5) of Section 4-134 of the Illinois Pension Code.

18 "Aggregate extension" for all taxing districts to which
19 this Law applies in accordance with paragraph (2) of subsection
20 (e) of Section 18-213 means the annual corporate extension for
21 the taxing district and those special purpose extensions that
22 are made annually for the taxing district, excluding special
23 purpose extensions: (a) made for the taxing district to pay
24 interest or principal on general obligation bonds that were
25 approved by referendum; (b) made for any taxing district to pay
26 interest or principal on general obligation bonds issued before
27 the effective date of this amendatory Act of 1997; (c) made for
28 any taxing district to pay interest or principal on bonds
29 issued to refund or continue to refund those bonds issued
30 before the effective date of this amendatory Act of 1997; (d)
31 made for any taxing district to pay interest or principal on
32 bonds issued to refund or continue to refund bonds issued after
33 the effective date of this amendatory Act of 1997 if the bonds
34 were approved by referendum after the effective date of this
35 amendatory Act of 1997; (e) made for any taxing district to pay
36 interest or principal on revenue bonds issued before the

1 effective date of this amendatory Act of 1997 for payment of
2 which a property tax levy or the full faith and credit of the
3 unit of local government is pledged; however, a tax for the
4 payment of interest or principal on those bonds shall be made
5 only after the governing body of the unit of local government
6 finds that all other sources for payment are insufficient to
7 make those payments; (f) made for payments under a building
8 commission lease when the lease payments are for the retirement
9 of bonds issued by the commission before the effective date of
10 this amendatory Act of 1997 to pay for the building project;
11 (g) made for payments due under installment contracts entered
12 into before the effective date of this amendatory Act of 1997;
13 (h) made for payments of principal and interest on limited
14 bonds, as defined in Section 3 of the Local Government Debt
15 Reform Act, in an amount not to exceed the debt service
16 extension base less the amount in items (b), (c), and (e) of
17 this definition for non-referendum obligations, except
18 obligations initially issued pursuant to referendum; (i) made
19 for payments of principal and interest on bonds issued under
20 Section 15 of the Local Government Debt Reform Act; (j) made
21 for a qualified airport authority to pay interest or principal
22 on general obligation bonds issued for the purpose of paying
23 obligations due under, or financing airport facilities
24 required to be acquired, constructed, installed or equipped
25 pursuant to, contracts entered into before March 1, 1996 (but
26 not including any amendments to such a contract taking effect
27 on or after that date); (k) made to fund expenses of providing
28 joint recreational programs for the handicapped under Section
29 5-8 of the Park District Code or Section 11-95-14 of the
30 Illinois Municipal Code; and (l) made for contributions to a
31 firefighter's pension fund created under Article 4 of the
32 Illinois Pension Code, to the extent of the amount certified
33 under item (5) of Section 4-134 of the Illinois Pension Code.

34 "Debt service extension base" means an amount equal to that
35 portion of the extension for a taxing district for the 1994
36 levy year, or for those taxing districts subject to this Law in

1 accordance with Section 18-213, except for those subject to
2 paragraph (2) of subsection (e) of Section 18-213, for the levy
3 year in which the referendum making this Law applicable to the
4 taxing district is held, or for those taxing districts subject
5 to this Law in accordance with paragraph (2) of subsection (e)
6 of Section 18-213 for the 1996 levy year, constituting an
7 extension for payment of principal and interest on bonds issued
8 by the taxing district without referendum, but not including
9 excluded non-referendum bonds. For park districts (i) that were
10 first subject to this Law in 1991 or 1995 and (ii) whose
11 extension for the 1994 levy year for the payment of principal
12 and interest on bonds issued by the park district without
13 referendum (but not including excluded non-referendum bonds)
14 was less than 51% of the amount for the 1991 levy year
15 constituting an extension for payment of principal and interest
16 on bonds issued by the park district without referendum (but
17 not including excluded non-referendum bonds), "debt service
18 extension base" means an amount equal to that portion of the
19 extension for the 1991 levy year constituting an extension for
20 payment of principal and interest on bonds issued by the park
21 district without referendum (but not including excluded
22 non-referendum bonds). The debt service extension base may be
23 established or increased as provided under Section 18-212.
24 "Excluded non-referendum bonds" means (i) bonds authorized by
25 Public Act 88-503 and issued under Section 20a of the Chicago
26 Park District Act for aquarium and museum projects; (ii) bonds
27 issued under Section 15 of the Local Government Debt Reform
28 Act; or (iii) refunding obligations issued to refund or to
29 continue to refund obligations initially issued pursuant to
30 referendum.

31 "Special purpose extensions" include, but are not limited
32 to, extensions for levies made on an annual basis for
33 unemployment and workers' compensation, self-insurance,
34 contributions to pension plans, and extensions made pursuant to
35 Section 6-601 of the Illinois Highway Code for a road
36 district's permanent road fund whether levied annually or not.

1 The extension for a special service area is not included in the
2 aggregate extension.

3 "Aggregate extension base" means the taxing district's
4 last preceding aggregate extension as adjusted under Sections
5 18-215 through 18-230.

6 "Levy year" has the same meaning as "year" under Section
7 1-155.

8 "New property" means (i) the assessed value, after final
9 board of review or board of appeals action, of new improvements
10 or additions to existing improvements on any parcel of real
11 property that increase the assessed value of that real property
12 during the levy year multiplied by the equalization factor
13 issued by the Department under Section 17-30, (ii) the assessed
14 value, after final board of review or board of appeals action,
15 of real property not exempt from real estate taxation, which
16 real property was exempt from real estate taxation for any
17 portion of the immediately preceding levy year, multiplied by
18 the equalization factor issued by the Department under Section
19 17-30, including the assessed value of any real property
20 located within the boundaries of an otherwise exempt military
21 reservation that is intended for residential use and owned by
22 or leased to a private corporation or other private entity, and
23 (iii) in counties that classify in accordance with Section 4 of
24 Article IX of the Illinois Constitution, an incentive
25 property's additional assessed value resulting from a
26 scheduled increase in the level of assessment as applied to the
27 first year final board of review market value. In addition, the
28 county clerk in a county containing a population of 3,000,000
29 or more shall include in the 1997 recovered tax increment value
30 for any school district, any recovered tax increment value that
31 was applicable to the 1995 tax year calculations.

32 "Qualified airport authority" means an airport authority
33 organized under the Airport Authorities Act and located in a
34 county bordering on the State of Wisconsin and having a
35 population in excess of 200,000 and not greater than 500,000.

36 "Recovered tax increment value" means, except as otherwise

1 provided in this paragraph, the amount of the current year's
2 equalized assessed value, in the first year after a
3 municipality terminates the designation of an area as a
4 redevelopment project area previously established under the
5 Tax Increment Allocation Development Act in the Illinois
6 Municipal Code, previously established under the Industrial
7 Jobs Recovery Law in the Illinois Municipal Code, or previously
8 established under the Economic Development Area Tax Increment
9 Allocation Act, of each taxable lot, block, tract, or parcel of
10 real property in the redevelopment project area over and above
11 the initial equalized assessed value of each property in the
12 redevelopment project area. For the taxes which are extended
13 for the 1997 levy year, the recovered tax increment value for a
14 non-home rule taxing district that first became subject to this
15 Law for the 1995 levy year because a majority of its 1994
16 equalized assessed value was in an affected county or counties
17 shall be increased if a municipality terminated the designation
18 of an area in 1993 as a redevelopment project area previously
19 established under the Tax Increment Allocation Development Act
20 in the Illinois Municipal Code, previously established under
21 the Industrial Jobs Recovery Law in the Illinois Municipal
22 Code, or previously established under the Economic Development
23 Area Tax Increment Allocation Act, by an amount equal to the
24 1994 equalized assessed value of each taxable lot, block,
25 tract, or parcel of real property in the redevelopment project
26 area over and above the initial equalized assessed value of
27 each property in the redevelopment project area. In the first
28 year after a municipality removes a taxable lot, block, tract,
29 or parcel of real property from a redevelopment project area
30 established under the Tax Increment Allocation Development Act
31 in the Illinois Municipal Code, the Industrial Jobs Recovery
32 Law in the Illinois Municipal Code, or the Economic Development
33 Area Tax Increment Allocation Act, "recovered tax increment
34 value" means the amount of the current year's equalized
35 assessed value of each taxable lot, block, tract, or parcel of
36 real property removed from the redevelopment project area over

1 and above the initial equalized assessed value of that real
2 property before removal from the redevelopment project area.

3 Except as otherwise provided in this Section, "limiting
4 rate" means a fraction the numerator of which is the last
5 preceding aggregate extension base times an amount equal to one
6 plus the extension limitation defined in this Section and the
7 denominator of which is the current year's equalized assessed
8 value of all real property in the territory under the
9 jurisdiction of the taxing district during the prior levy year.
10 For those taxing districts that reduced their aggregate
11 extension for the last preceding levy year, the highest
12 aggregate extension in any of the last 3 preceding levy years
13 shall be used for the purpose of computing the limiting rate.
14 The denominator shall not include new property. The denominator
15 shall not include the recovered tax increment value.

16 (Source: P.A. 92-547, eff. 6-13-02; 93-601, eff. 1-1-04;
17 93-606, eff. 11-18-03; 93-612, eff. 11-18-03; 93-689, eff.
18 7-1-04; 93-690, eff. 7-1-04; 93-1049, eff. 11-17-04; revised
19 12-14-04.)

20 Section 99. Effective date. This Act takes effect upon
21 becoming law.