

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

28 (b) "Net operating income" means all revenues received
29 minus the lesser of (i) 42% of all revenues or (ii) actual
30 expenses before interest, taxes, depreciation, and

1 amortization.

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

6 (35 ILCS 200/10-375 new)

7 Sec. 10-375. Valuation.

8 (a) A PPV Lease must be valued at its fair cash value, as
9 provided under item (b) of Section 9-145 or under Section
10 9-150.

11 (b) The fair cash value of a PPV Lease must be determined
12 by using an income capitalization approach.

13 (c) To determine the fair cash value of a PPV Lease, the
14 net operating income is divided by (i) a rate of 7.75% plus
15 (ii) the actual or most recently ascertainable tax load factor
16 for the subject year.

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

23 (35 ILCS 200/10-380 new)

24 Sec. 10-380. For the taxable years 2006, 2007, 2008, and
25 2009, the chief county assessment officer in the county in
26 which property subject to a PPV Lease is located shall apply
27 the provisions of 10-370(b)(i) and 10-375(c)(i) of this
28 Division 14 in assessing and determining the value of any PPV
29 Lease for purposes of the property tax laws of this State.

30 (35 ILCS 200/18-165)

31 Sec. 18-165. Abatement of taxes.

32 (a) Any taxing district, upon a majority vote of its
33 governing authority, may, after the determination of the

1 assessed valuation of its property, order the clerk of that
2 county to abate any portion of its taxes on the following types
3 of property:

4 (1) Commercial and industrial.

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

32 (A-5) Any property in the taxing district of a new
33 electric generating facility, as defined in Section
34 605-332 of the Department of Commerce and Economic
35 Opportunity ~~Community Affairs~~ Law of the Civil
36 Administrative Code of Illinois. The abatement shall

1 not exceed a period of 10 years. The abatement shall be
2 subject to the following limitations:

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

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

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

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

1 year of abatement, 60% of the taxing district's
2 taxes from the new electric generating facility;

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

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

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

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

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

1 not exceed \$12,000,000.

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

10 (2) Horse racing. Any property in the taxing district
11 which is used for the racing of horses and upon which
12 capital improvements consisting of expansion, improvement
13 or replacement of existing facilities have been made since
14 July 1, 1987. The combined abatements for such property
15 from all taxing districts in any county shall not exceed
16 \$5,000,000 annually and shall not exceed a period of 10
17 years.

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

21 (4) Academic or research institute. The property of any
22 academic or research institute in the taxing district that
23 (i) is an exempt organization under paragraph (3) of
24 Section 501(c) of the Internal Revenue Code, (ii) operates
25 for the benefit of the public by actually and exclusively
26 performing scientific research and making the results of
27 the research available to the interested public on a
28 non-discriminatory basis, and (iii) employs more than 100
29 employees. An abatement granted under this paragraph shall
30 be for at least 15 years and the aggregate amount of abated
31 taxes for all taxing districts combined shall not exceed
32 \$5,000,000.

33 (5) Housing for older persons. Any property in the
34 taxing district that is devoted exclusively to affordable
35 housing for older households. For purposes of this
36 paragraph, "older households" means those households (i)

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

12 (6) Historical society. For assessment years 1998
13 through 2008, the property of an historical society
14 qualifying as an exempt organization under Section
15 501(c)(3) of the federal Internal Revenue Code.

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

25 (8) Relocated corporate headquarters. If approval
26 occurs within 5 years after the effective date of this
27 amendatory Act of the 92nd General Assembly, any property
28 or a portion of any property in a taxing district that is
29 used by an eligible business for a corporate headquarters
30 as defined in the Corporate Headquarters Relocation Act.
31 Instead of an abatement under this paragraph (8), a taxing
32 district may enter into an agreement with an eligible
33 business to make annual payments to that eligible business
34 in an amount not to exceed the property taxes paid directly
35 or indirectly by that eligible business to the taxing
36 district and any other taxing districts for premises

1 occupied pursuant to a written lease and may make those
2 payments without the need for an annual appropriation. No
3 school district, however, may enter into an agreement with,
4 or abate taxes for, an eligible business unless the
5 municipality in which the corporate headquarters is
6 located agrees to provide funding to the school district in
7 an amount equal to the amount abated or paid by the school
8 district as provided in this paragraph (8). Any abatement
9 ordered or agreement entered into under this paragraph (8)
10 may be effective for the entire term specified by the
11 taxing district, except the term of the abatement or annual
12 payments may not exceed 20 years.

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

19 (b) Upon a majority vote of its governing authority, any
20 municipality may, after the determination of the assessed
21 valuation of its property, order the county clerk to abate any
22 portion of its taxes on any property that is located within the
23 corporate limits of the municipality in accordance with Section
24 8-3-18 of the Illinois Municipal Code.

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

28 (35 ILCS 200/18-185)

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

32 "Consumer Price Index" means the Consumer Price Index for
33 All Urban Consumers for all items published by the United
34 States Department of Labor.

35 "Extension limitation" means (a) the lesser of 5% or the

1 percentage increase in the Consumer Price Index during the
2 12-month calendar year preceding the levy year or (b) the rate
3 of increase approved by voters under Section 18-205.

4 "Affected county" means a county of 3,000,000 or more
5 inhabitants or a county contiguous to a county of 3,000,000 or
6 more inhabitants.

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

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

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

1 and 17-2.2d of the School Code; ~~and~~ (n) made for payment of
2 principal and interest on any bonds issued under the authority
3 of Section 17-2.2d of the School Code; and (o) ~~(m)~~ made for
4 contributions to a firefighter's pension fund created under
5 Article 4 of the Illinois Pension Code, to the extent of the
6 amount certified under item (5) of Section 4-134 of the
7 Illinois Pension Code.

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

1 Water Reclamation District Act to finance construction
2 projects initiated before October 1, 1991; (h-4) made for
3 stormwater management purposes by the Metropolitan Water
4 Reclamation District of Greater Chicago under Section 12 of the
5 Metropolitan Water Reclamation District Act; (i) made for
6 payments of principal and interest on limited bonds, as defined
7 in Section 3 of the Local Government Debt Reform Act, in an
8 amount not to exceed the debt service extension base less the
9 amount in items (b), (c), and (e) of this definition for
10 non-referendum obligations, except obligations initially
11 issued pursuant to referendum and bonds described in subsection
12 (h) of this definition; (j) made for payments of principal and
13 interest on bonds issued under Section 15 of the Local
14 Government Debt Reform Act; (k) made for payments of principal
15 and interest on bonds authorized by Public Act 88-503 and
16 issued under Section 20a of the Chicago Park District Act for
17 aquarium or museum projects; (l) made for payments of principal
18 and interest on bonds authorized by Public Act 87-1191 or
19 93-601 and (i) issued pursuant to Section 21.2 of the Cook
20 County Forest Preserve District Act, (ii) issued under Section
21 42 of the Cook County Forest Preserve District Act for
22 zoological park projects, or (iii) issued under Section 44.1 of
23 the Cook County Forest Preserve District Act for botanical
24 gardens projects; (m) made pursuant to Section 34-53.5 of the
25 School Code, whether levied annually or not; (n) made to fund
26 expenses of providing joint recreational programs for the
27 handicapped under Section 5-8 of the Park District Code or
28 Section 11-95-14 of the Illinois Municipal Code; (o) made by
29 the Chicago Park District for recreational programs for the
30 handicapped under subsection (c) of Section 7.06 of the Chicago
31 Park District Act; and (p) made for contributions to a
32 firefighter's pension fund created under Article 4 of the
33 Illinois Pension Code, to the extent of the amount certified
34 under item (5) of Section 4-134 of the Illinois Pension Code.

35 "Aggregate extension" for all taxing districts to which
36 this Law applies in accordance with Section 18-213, except for

1 those taxing districts subject to paragraph (2) of subsection
2 (e) of Section 18-213, means the annual corporate extension for
3 the taxing district and those special purpose extensions that
4 are made annually for the taxing district, excluding special
5 purpose extensions: (a) made for the taxing district to pay
6 interest or principal on general obligation bonds that were
7 approved by referendum; (b) made for any taxing district to pay
8 interest or principal on general obligation bonds issued before
9 the date on which the referendum making this Law applicable to
10 the taxing district is held; (c) made for any taxing district
11 to pay interest or principal on bonds issued to refund or
12 continue to refund those bonds issued before the date on which
13 the referendum making this Law applicable to the taxing
14 district is held; (d) made for any taxing district to pay
15 interest or principal on bonds issued to refund or continue to
16 refund bonds issued after the date on which the referendum
17 making this Law applicable to the taxing district is held if
18 the bonds were approved by referendum after the date on which
19 the referendum making this Law applicable to the taxing
20 district is held; (e) made for any taxing district to pay
21 interest or principal on revenue bonds issued before the date
22 on which the referendum making this Law applicable to the
23 taxing district is held for payment of which a property tax
24 levy or the full faith and credit of the unit of local
25 government is pledged; however, a tax for the payment of
26 interest or principal on those bonds shall be made only after
27 the governing body of the unit of local government finds that
28 all other sources for payment are insufficient to make those
29 payments; (f) made for payments under a building commission
30 lease when the lease payments are for the retirement of bonds
31 issued by the commission before the date on which the
32 referendum making this Law applicable to the taxing district is
33 held to pay for the building project; (g) made for payments due
34 under installment contracts entered into before the date on
35 which the referendum making this Law applicable to the taxing
36 district is held; (h) made for payments of principal and

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

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

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

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

34 "Special purpose extensions" include, but are not limited
35 to, extensions for levies made on an annual basis for
36 unemployment and workers' compensation, self-insurance,

1 contributions to pension plans, and extensions made pursuant to
2 Section 6-601 of the Illinois Highway Code for a road
3 district's permanent road fund whether levied annually or not.
4 The extension for a special service area is not included in the
5 aggregate extension.

6 "Aggregate extension base" means the taxing district's
7 last preceding aggregate extension as adjusted under Sections
8 18-215 through 18-230.

9 "Levy year" has the same meaning as "year" under Section
10 1-155.

11 "New property" means (i) the assessed value, after final
12 board of review or board of appeals action, of new improvements
13 or additions to existing improvements on any parcel of real
14 property that increase the assessed value of that real property
15 during the levy year multiplied by the equalization factor
16 issued by the Department under Section 17-30, (ii) the assessed
17 value, after final board of review or board of appeals action,
18 of real property not exempt from real estate taxation, which
19 real property was exempt from real estate taxation for any
20 portion of the immediately preceding levy year, multiplied by
21 the equalization factor issued by the Department under Section
22 17-30, including the assessed value, upon final stabilization
23 of occupancy after new construction is complete, of any real
24 property located within the boundaries of an otherwise or
25 previously exempt military reservation that is intended for
26 residential use and owned by or leased to a private corporation
27 or other entity, and (iii) in counties that classify in
28 accordance with Section 4 of Article IX of the Illinois
29 Constitution, an incentive property's additional assessed
30 value resulting from a scheduled increase in the level of
31 assessment as applied to the first year final board of review
32 market value. In addition, the county clerk in a county
33 containing a population of 3,000,000 or more shall include in
34 the 1997 recovered tax increment value for any school district,
35 any recovered tax increment value that was applicable to the
36 1995 tax year calculations.

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

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

1 Law in the Illinois Municipal Code, or the Economic Development
2 Area Tax Increment Allocation Act, "recovered tax increment
3 value" means the amount of the current year's equalized
4 assessed value of each taxable lot, block, tract, or parcel of
5 real property removed from the redevelopment project area over
6 and above the initial equalized assessed value of that real
7 property before removal from the redevelopment project area.

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

21 (Source: P.A. 92-547, eff. 6-13-02; 93-601, eff. 1-1-04;
22 93-606, eff. 11-18-03; 93-612, eff. 11-18-03; 93-689, eff.
23 7-1-04; 93-690, eff. 7-1-04; 93-1049, eff. 11-17-04; revised
24 12-14-04.)

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