



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

SB2079

Introduced 2/25/2005, by Sen. Chris Lauzen

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-173 new
30 ILCS 805/8.29 new

Amends the Property Tax Code. Creates the Citizens' Assessment Freeze Exemption. Beginning in taxable year 2005, an assessment freeze exemption is granted for real property that is owned by an Illinois taxpayer or leased by a lessee who is an Illinois taxpayer who has a legal or equitable ownership interest in the property as lessee and is liable for the payment of real property taxes on that property. Provides that the amount of this exemption is the equalized assessed value of the property in the taxable year for which application is made minus the base amount. Defines "base amount" as the base year equalized assessed value of the property plus the first year's equalized assessed value of any added improvements that increased the assessed value of the property after the base year. Defines "base year" as the taxable year prior to the taxable year for which the applicant first qualifies and applies for the exemption. Provides that, for property that is used for residential or farm purposes, a new base year shall be established when the applicant sells or transfers the property and, for all other property, a new base year shall be established at the earlier of (i) 10 years or (ii) the sale or transfer of the property. Sets forth application procedures for the exemption. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB094 11427 BDD 42337 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Property Tax Code is amended by adding
5 Section 15-173 as follows:

6 (35 ILCS 200/15-173 new)

7 Sec. 15-173. Citizens' Assessment Freeze Exemption.

8 (a) This Section may be cited as the Citizens' Assessment
9 Freeze Exemption.

10 (b) As used in this Section:

11 "Applicant" means an individual who has filed an
12 application under this Section.

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

17 "Base year" means the taxable year prior to the taxable
18 year for which the applicant first qualifies and applies for
19 the exemption. If in any subsequent taxable year for which the
20 applicant applies and qualifies for the exemption the equalized
21 assessed value of the property is less than the equalized
22 assessed value in the existing base year (provided that the
23 equalized assessed value is not based on an assessed value that
24 results from a temporary irregularity in the property that
25 reduces the assessed value for one or more taxable years), then
26 that subsequent taxable year shall become the base year until a
27 new base year is established under the terms of this paragraph.
28 For property that is used for residential or farm purposes, a
29 new base year shall be established when the applicant sells or
30 transfers the property. For all other property, a new base year
31 shall be established at the earlier of (i) 10 years or (ii) the
32 sale or transfer of the property.

1 "Equalized assessed value" means the assessed value as
2 equalized by the Department of Revenue.

3 "Taxable year" means the calendar year during which ad
4 valorem property taxes payable in the next succeeding year are
5 levied.

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

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

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

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

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

1 legal or equitable ownership interest in the property as owner
2 or lessee. The applications shall be clearly marked as
3 applications for the Citizens' Assessment Freeze Exemption.

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

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

15 Section 90. The State Mandates Act is amended by adding
16 Section 8.29 as follows:

17 (30 ILCS 805/8.29 new)

18 Sec. 8.29. Exempt mandate. Notwithstanding Sections 6 and 8
19 of this Act, no reimbursement by the State is required for the
20 implementation of any mandate created by this amendatory Act of
21 the 94th General Assembly.

22 Section 99. Effective date. This Act takes effect upon
23 becoming law.