



Rep. Lou Lang

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09400SB2350ham003

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1 AMENDMENT TO SENATE BILL 2350

2 AMENDMENT NO. _____. Amend Senate Bill 2350, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Property Tax Code is amended by changing
6 Section 15-176 as follows:

7 (35 ILCS 200/15-176)

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

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

16 (b) As used in this Section:

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

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

21 (A) The property's base homestead value increased
22 by 7% for each tax year after the base year through and
23 including the current tax year, or, if the property is
24 sold or ownership is otherwise transferred, the

1 property's base homestead value increased by 7% for
2 each tax year after the year of the sale or transfer
3 through and including the current tax year. The
4 increase by 7% each year is an increase by 7% over the
5 prior year.

6 (B) The property's equalized assessed value for
7 the current tax year minus (i) \$4,500 in Cook County or
8 \$3,500 in all other counties in tax year 2003 or (ii)
9 \$5,000 in all counties in tax year 2004 and thereafter.
10 (3) "Base homestead value".

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

29 (B) If the property is sold or ownership is
30 otherwise transferred, other than sales or transfers
31 between spouses or between a parent and a child, "base
32 homestead value" means the equalized assessed value of
33 the property at the time of the sale or transfer prior
34 to exemptions, minus (i) \$4,500 in Cook County or

1 \$3,500 in all other counties in tax year 2003 or (ii)
2 \$5,000 in all counties in tax year 2004 and thereafter,
3 provided that it was assessed as residential property
4 qualified for any of the homestead exemptions under
5 Sections 15-170 through 15-175 of this Code, then in
6 force, and further provided that the property's
7 assessment was not based on a reduced assessed value
8 resulting from a temporary irregularity in the
9 property.

10 (3.5) "Base year" means (i) tax year 2002 in Cook
11 County or (ii) tax year 2004 or 2005 ~~2002 or 2003~~ in all
12 other counties in accordance with the designation made by
13 the county as provided in subsection (k).

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

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

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

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

1 (B) A homestead includes the dwelling place,
2 appurtenant structures, and so much of the surrounding
3 land constituting the parcel on which the dwelling
4 place is situated as is used for residential purposes.
5 If the assessor has established a specific legal
6 description for a portion of property constituting the
7 homestead, then the homestead shall be limited to the
8 property within that description.

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

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

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

29 (d) The base homestead value shall remain constant, except
30 that the assessor may revise it under the following
31 circumstances:

32 (1) If the equalized assessed value of a homestead
33 property for the current tax year is less than the previous
34 base homestead value for that property, then the current

1 equalized assessed value (provided it is not based on a
2 reduced assessed value resulting from a temporary
3 irregularity in the property) shall become the base
4 homestead value in subsequent tax years.

5 (2) For any year in which new buildings, structures, or
6 other improvements are constructed on the homestead
7 property that would increase its assessed value, the
8 assessor shall adjust the base homestead value as provided
9 in subsection (c) of this Section with due regard to the
10 value added by the new improvements.

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

16 (e) The amount of the exemption under this Section is the
17 equalized assessed value of the homestead property for the
18 current tax year, minus the adjusted homestead value, with the
19 following exceptions:

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

23 (A) 2005, if the general assessment year for the
24 property is 2003;

25 (B) 2006, if the general assessment year for the
26 property is 2004; or

27 (C) 2007, if the general assessment year for the
28 property is 2005.

29 Thereafter, in Cook County, the exemption under this
30 Section shall not exceed \$60,000 for any taxable year.

31 (1.5) For all tax years in all counties other than Cook
32 County, the exemption under this Section shall not exceed
33 \$60,000 for any taxable year.

34 (2) In the case of homestead property that also

1 qualifies for the exemption under Section 15-172, the
2 property is entitled to the exemption under this Section,
3 limited to the amount of (i) \$4,500 in Cook County or
4 \$3,500 in all other counties in tax year 2003 or (ii)
5 \$5,000 in all counties in tax year 2004 and thereafter.

6 (f) In the case of an apartment building owned and operated
7 as a cooperative, or as a life care facility, that contains
8 residential units that qualify as homestead property under this
9 Section, the maximum cumulative exemption amount attributed to
10 the entire building or facility shall not exceed the sum of the
11 exemptions calculated for each qualified residential unit. The
12 cooperative association, management firm, or other person or
13 entity that manages or controls the cooperative apartment
14 building or life care facility shall credit the exemption
15 attributable to each residential unit only to the apportioned
16 tax liability of the owner or other person responsible for
17 payment of taxes as to that unit. Any person who willfully
18 refuses to so credit the exemption is guilty of a Class B
19 misdemeanor.

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

23 (h) In the event of a sale or other transfer in ownership
24 of the homestead property, the exemption under this Section
25 shall remain in effect for the remainder of the tax year in
26 which the sale or transfer occurs, but (other than for sales or
27 transfers between spouses or between a parent and a child)
28 shall be calculated using the new base homestead value as
29 provided in subdivision (b) (3) (B). The assessor may require the
30 new owner of the property to apply for the exemption in the
31 following year.

32 (i) The assessor may determine whether property qualifies
33 as a homestead under this Section by application, visual
34 inspection, questionnaire, or other reasonable methods. Each

1 year, at the time the assessment books are certified to the
2 county clerk by the board of review, the assessor shall furnish
3 to the county clerk a list of the properties qualified for the
4 homestead exemption under this Section. The list shall note the
5 base homestead value of each property to be used in the
6 calculation of the exemption for the current tax year.

7 (j) In counties with 3,000,000 or more inhabitants, the
8 provisions of this Section apply as follows:

9 (1) If the general assessment year for the property is
10 2003, this Section applies for assessment years 2003, 2004,
11 and 2005. Thereafter, the provisions of Section 15-175
12 apply.

13 (2) If the general assessment year for the property is
14 2004, this Section applies for assessment years 2004, 2005,
15 and 2006. Thereafter, the provisions of Section 15-175
16 apply.

17 (3) If the general assessment year for the property is
18 2005, this Section applies for assessment years 2005, 2006,
19 and 2007. Thereafter, the provisions of Section 15-175
20 apply.

21 (4) If the general assessment year for the property is
22 2006 and only if the county elects, by ordinance, to extend
23 the application of this Section under subsection (k-5),
24 then this Section continues to apply for assessment years
25 2006, 2007, and 2008. Thereafter, the provisions of Section
26 15-175 apply.

27 (5) If the general assessment year for the property is
28 2007 and only if the county elects, by ordinance, to extend
29 the application of this Section under subsection (k-5),
30 then this Section continues to apply for assessment years
31 2007, 2008, and 2009. Thereafter, the provisions of Section
32 15-175 apply.

33 (6) If the general assessment year for the property is
34 2008 and only if the county elects, by ordinance, to extend

1 the application of this Section under subsection (k-5),
2 then this Section continues to apply for assessment years
3 2008, 2009, and 2010. Thereafter, the provisions of Section
4 15-175 apply.

5 In counties with less than 3,000,000 inhabitants, this
6 Section applies for assessment years (i) 2005, 2006, and 2007
7 if tax year 2004 ~~2003, 2004, and 2005 if 2002~~ is the designated
8 base year or (ii) 2006, 2007, and 2008 if tax year 2005 ~~2004,~~
9 ~~2005, and 2006 if 2003~~ is the designated base year. Thereafter,
10 the provisions of Section 15-175 apply.

11 (k) To be subject to the provisions of this Section in lieu
12 of Section 15-175, a county must adopt an ordinance to subject
13 itself to the provisions of this Section within (i) 6 months
14 after the effective date of this amendatory Act of the 93rd
15 General Assembly for Cook County, except as provided in
16 subsection (k-5), or (ii) within 6 months after the effective
17 date of this amendatory Act of the 94th General Assembly for
18 all other counties. In a county other than Cook County, the
19 ordinance must designate either tax year 2004 ~~2002~~ or tax year
20 2005 ~~2003~~ as the base year.

21 (k-5) Cook County may elect, by ordinance, to extend the
22 application of this Section for the assessment years set forth
23 under items (4), (5), and (6) of subsection (j). The ordinance
24 must be adopted within 6 months after the effective date of
25 this amendatory Act of the 94th General Assembly.

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

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

30 Section 90. The State Mandates Act is amended by adding
31 Section 8.30 as follows:

32 (30 ILCS 805/8.30 new)

1 Sec. 8.30. Exempt mandate. Notwithstanding Sections 6 and 8
2 of this Act, no reimbursement by the State is required for the
3 implementation of any mandate created by this amendatory Act of
4 the 94th General Assembly.

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