

1 AN ACT concerning property tax.

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

4 Section 1. Findings; purpose; validation.

5 (a) The General Assembly finds and declares that:

6 (1) Public Act 88-669, effective November 29, 1994,
7 created Section 15-172 of the Property Tax Code, then known
8 as the Senior Citizens Tax Freeze Homestead Exemption.
9 Public Act 88-669 also contained other provisions.

10 (2) The Senior Citizens Tax Freeze Homestead Exemption
11 has been renamed the Senior Citizens Assessment Freeze
12 Homestead Exemption.

13 (3) The Illinois Supreme Court declared Public Act
14 88-669 to be unconstitutional as a violation of the single
15 subject clause of the Illinois Constitution in *People v.*
16 *Olander*, Docket No. 98932, opinion filed December 15, 2005.

17 (b) The purpose of this Act is to re-enact the provisions
18 of Section 15-172 of the Property Tax Code and to minimize or
19 prevent any problems concerning those provisions that may arise
20 from the unconstitutionality of Public Act 88-669. This
21 re-enactment is intended to remove any question as to the
22 validity and content of those provisions; it is not intended to
23 supersede any other Public Act that amends the provisions
24 re-enacted in this Act. The re-enacted material is shown in
25 this Act as existing text (i.e., without underscoring) and
26 includes changes made by subsequent amendments.

27 (c) The re-enactment of the provisions of Section 15-172 of
28 the Property Tax Code by this Act is not intended, and shall
29 not be construed, to impair any legal argument concerning
30 whether those provisions were substantially re-enacted by any
31 other Public Act.

32 (d) All otherwise lawful actions taken before the effective
33 date of this Act in reliance on or pursuant to the provisions

1 re-enacted by this Act, as those provisions were set forth in
2 Public Act 88-669 or as subsequently amended, by any officer,
3 employee, or agency of State government or by any other person
4 or entity, are hereby validated, except to the extent
5 prohibited under the Illinois or United States Constitution.

6 (e) This Act applies, without limitation, to actions
7 pending on or after the effective date of this Act, except to
8 the extent prohibited under the Illinois or United States
9 Constitution.

10 Section 5. The Property Tax Code is amended by re-enacting
11 Section 15-172 as follows:

12 (35 ILCS 200/15-172)

13 Sec. 15-172. Senior Citizens Assessment Freeze Homestead
14 Exemption.

15 (a) This Section may be cited as the Senior Citizens
16 Assessment Freeze Homestead Exemption.

17 (b) As used in this Section:

18 "Applicant" means an individual who has filed an
19 application under this Section.

20 "Base amount" means the base year equalized assessed value
21 of the residence plus the first year's equalized assessed value
22 of any added improvements which increased the assessed value of
23 the residence after the base year.

24 "Base year" means the taxable year prior to the taxable
25 year for which the applicant first qualifies and applies for
26 the exemption provided that in the prior taxable year the
27 property was improved with a permanent structure that was
28 occupied as a residence by the applicant who was liable for
29 paying real property taxes on the property and who was either
30 (i) an owner of record of the property or had legal or
31 equitable interest in the property as evidenced by a written
32 instrument or (ii) had a legal or equitable interest as a
33 lessee in the parcel of property that was single family
34 residence. If in any subsequent taxable year for which the

1 applicant applies and qualifies for the exemption the equalized
2 assessed value of the residence is less than the equalized
3 assessed value in the existing base year (provided that such
4 equalized assessed value is not based on an assessed value that
5 results from a temporary irregularity in the property that
6 reduces the assessed value for one or more taxable years), then
7 that subsequent taxable year shall become the base year until a
8 new base year is established under the terms of this paragraph.
9 For taxable year 1999 only, the Chief County Assessment Officer
10 shall review (i) all taxable years for which the applicant
11 applied and qualified for the exemption and (ii) the existing
12 base year. The assessment officer shall select as the new base
13 year the year with the lowest equalized assessed value. An
14 equalized assessed value that is based on an assessed value
15 that results from a temporary irregularity in the property that
16 reduces the assessed value for one or more taxable years shall
17 not be considered the lowest equalized assessed value. The
18 selected year shall be the base year for taxable year 1999 and
19 thereafter until a new base year is established under the terms
20 of this paragraph.

21 "Chief County Assessment Officer" means the County
22 Assessor or Supervisor of Assessments of the county in which
23 the property is located.

24 "Equalized assessed value" means the assessed value as
25 equalized by the Illinois Department of Revenue.

26 "Household" means the applicant, the spouse of the
27 applicant, and all persons using the residence of the applicant
28 as their principal place of residence.

29 "Household income" means the combined income of the members
30 of a household for the calendar year preceding the taxable
31 year.

32 "Income" has the same meaning as provided in Section 3.07
33 of the Senior Citizens and Disabled Persons Property Tax Relief
34 and Pharmaceutical Assistance Act, except that, beginning in
35 assessment year 2001, "income" does not include veteran's
36 benefits.

1 "Internal Revenue Code of 1986" means the United States
2 Internal Revenue Code of 1986 or any successor law or laws
3 relating to federal income taxes in effect for the year
4 preceding the taxable year.

5 "Life care facility that qualifies as a cooperative" means
6 a facility as defined in Section 2 of the Life Care Facilities
7 Act.

8 "Residence" means the principal dwelling place and
9 appurtenant structures used for residential purposes in this
10 State occupied on January 1 of the taxable year by a household
11 and so much of the surrounding land, constituting the parcel
12 upon which the dwelling place is situated, as is used for
13 residential purposes. If the Chief County Assessment Officer
14 has established a specific legal description for a portion of
15 property constituting the residence, then that portion of
16 property shall be deemed the residence for the purposes of this
17 Section.

18 "Taxable year" means the calendar year during which ad
19 valorem property taxes payable in the next succeeding year are
20 levied.

21 (c) Beginning in taxable year 1994, a senior citizens
22 assessment freeze homestead exemption is granted for real
23 property that is improved with a permanent structure that is
24 occupied as a residence by an applicant who (i) is 65 years of
25 age or older during the taxable year, (ii) has a household
26 income of \$35,000 or less prior to taxable year 1999, \$40,000
27 or less in taxable years 1999 through 2003, and \$45,000 or less
28 in taxable year 2004 and thereafter, (iii) is liable for paying
29 real property taxes on the property, and (iv) is an owner of
30 record of the property or has a legal or equitable interest in
31 the property as evidenced by a written instrument. This
32 homestead exemption shall also apply to a leasehold interest in
33 a parcel of property improved with a permanent structure that
34 is a single family residence that is occupied as a residence by
35 a person who (i) is 65 years of age or older during the taxable
36 year, (ii) has a household income of \$35,000 or less prior to

1 taxable year 1999, \$40,000 or less in taxable years 1999
2 through 2003, and \$45,000 or less in taxable year 2004 and
3 thereafter, (iii) has a legal or equitable ownership interest
4 in the property as lessee, and (iv) is liable for the payment
5 of real property taxes on that property.

6 The amount of this exemption shall be the equalized
7 assessed value of the residence in the taxable year for which
8 application is made minus the base amount.

9 When the applicant is a surviving spouse of an applicant
10 for a prior year for the same residence for which an exemption
11 under this Section has been granted, the base year and base
12 amount for that residence are the same as for the applicant for
13 the prior year.

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

20 In the case of land improved with an apartment building
21 owned and operated as a cooperative or a building that is a
22 life care facility that qualifies as a cooperative, the maximum
23 reduction from the equalized assessed value of the property is
24 limited to the sum of the reductions calculated for each unit
25 occupied as a residence by a person or persons (i) 65 years of
26 age or older, (ii) with a household income of \$35,000 or less
27 prior to taxable year 1999, \$40,000 or less in taxable years
28 1999 through 2003, and \$45,000 or less in taxable year 2004 and
29 thereafter, (iii) who is liable, by contract with the owner or
30 owners of record, for paying real property taxes on the
31 property, and (iv) who is an owner of record of a legal or
32 equitable interest in the cooperative apartment building,
33 other than a leasehold interest. In the instance of a
34 cooperative where a homestead exemption has been granted under
35 this Section, the cooperative association or its management
36 firm shall credit the savings resulting from that exemption

1 only to the apportioned tax liability of the owner who
2 qualified for the exemption. Any person who willfully refuses
3 to credit that savings to an owner who qualifies for the
4 exemption is guilty of a Class B misdemeanor.

5 When a homestead exemption has been granted under this
6 Section and an applicant then becomes a resident of a facility
7 licensed under the Nursing Home Care Act, the exemption shall
8 be granted in subsequent years so long as the residence (i)
9 continues to be occupied by the qualified applicant's spouse or
10 (ii) if remaining unoccupied, is still owned by the qualified
11 applicant for the homestead exemption.

12 Beginning January 1, 1997, when an individual dies who
13 would have qualified for an exemption under this Section, and
14 the surviving spouse does not independently qualify for this
15 exemption because of age, the exemption under this Section
16 shall be granted to the surviving spouse for the taxable year
17 preceding and the taxable year of the death, provided that,
18 except for age, the surviving spouse meets all other
19 qualifications for the granting of this exemption for those
20 years.

21 When married persons maintain separate residences, the
22 exemption provided for in this Section may be claimed by only
23 one of such persons and for only one residence.

24 For taxable year 1994 only, in counties having less than
25 3,000,000 inhabitants, to receive the exemption, a person shall
26 submit an application by February 15, 1995 to the Chief County
27 Assessment Officer of the county in which the property is
28 located. In counties having 3,000,000 or more inhabitants, for
29 taxable year 1994 and all subsequent taxable years, to receive
30 the exemption, a person may submit an application to the Chief
31 County Assessment Officer of the county in which the property
32 is located during such period as may be specified by the Chief
33 County Assessment Officer. The Chief County Assessment Officer
34 in counties of 3,000,000 or more inhabitants shall annually
35 give notice of the application period by mail or by
36 publication. In counties having less than 3,000,000

1 inhabitants, beginning with taxable year 1995 and thereafter,
2 to receive the exemption, a person shall submit an application
3 by July 1 of each taxable year to the Chief County Assessment
4 Officer of the county in which the property is located. A
5 county may, by ordinance, establish a date for submission of
6 applications that is different than July 1. The applicant shall
7 submit with the application an affidavit of the applicant's
8 total household income, age, marital status (and if married the
9 name and address of the applicant's spouse, if known), and
10 principal dwelling place of members of the household on January
11 1 of the taxable year. The Department shall establish, by rule,
12 a method for verifying the accuracy of affidavits filed by
13 applicants under this Section. The applications shall be
14 clearly marked as applications for the Senior Citizens
15 Assessment Freeze Homestead Exemption.

16 Notwithstanding any other provision to the contrary, in
17 counties having fewer than 3,000,000 inhabitants, if an
18 applicant fails to file the application required by this
19 Section in a timely manner and this failure to file is due to a
20 mental or physical condition sufficiently severe so as to
21 render the applicant incapable of filing the application in a
22 timely manner, the Chief County Assessment Officer may extend
23 the filing deadline for a period of 30 days after the applicant
24 regains the capability to file the application, but in no case
25 may the filing deadline be extended beyond 3 months of the
26 original filing deadline. In order to receive the extension
27 provided in this paragraph, the applicant shall provide the
28 Chief County Assessment Officer with a signed statement from
29 the applicant's physician stating the nature and extent of the
30 condition, that, in the physician's opinion, the condition was
31 so severe that it rendered the applicant incapable of filing
32 the application in a timely manner, and the date on which the
33 applicant regained the capability to file the application.

34 Beginning January 1, 1998, notwithstanding any other
35 provision to the contrary, in counties having fewer than
36 3,000,000 inhabitants, if an applicant fails to file the

1 application required by this Section in a timely manner and
2 this failure to file is due to a mental or physical condition
3 sufficiently severe so as to render the applicant incapable of
4 filing the application in a timely manner, the Chief County
5 Assessment Officer may extend the filing deadline for a period
6 of 3 months. In order to receive the extension provided in this
7 paragraph, the applicant shall provide the Chief County
8 Assessment Officer with a signed statement from the applicant's
9 physician stating the nature and extent of the condition, and
10 that, in the physician's opinion, the condition was so severe
11 that it rendered the applicant incapable of filing the
12 application in a timely manner.

13 In counties having less than 3,000,000 inhabitants, if an
14 applicant was denied an exemption in taxable year 1994 and the
15 denial occurred due to an error on the part of an assessment
16 official, or his or her agent or employee, then beginning in
17 taxable year 1997 the applicant's base year, for purposes of
18 determining the amount of the exemption, shall be 1993 rather
19 than 1994. In addition, in taxable year 1997, the applicant's
20 exemption shall also include an amount equal to (i) the amount
21 of any exemption denied to the applicant in taxable year 1995
22 as a result of using 1994, rather than 1993, as the base year,
23 (ii) the amount of any exemption denied to the applicant in
24 taxable year 1996 as a result of using 1994, rather than 1993,
25 as the base year, and (iii) the amount of the exemption
26 erroneously denied for taxable year 1994.

27 For purposes of this Section, a person who will be 65 years
28 of age during the current taxable year shall be eligible to
29 apply for the homestead exemption during that taxable year.
30 Application shall be made during the application period in
31 effect for the county of his or her residence.

32 The Chief County Assessment Officer may determine the
33 eligibility of a life care facility that qualifies as a
34 cooperative to receive the benefits provided by this Section by
35 use of an affidavit, application, visual inspection,
36 questionnaire, or other reasonable method in order to insure

1 that the tax savings resulting from the exemption are credited
2 by the management firm to the apportioned tax liability of each
3 qualifying resident. The Chief County Assessment Officer may
4 request reasonable proof that the management firm has so
5 credited that exemption.

6 Except as provided in this Section, all information
7 received by the chief county assessment officer or the
8 Department from applications filed under this Section, or from
9 any investigation conducted under the provisions of this
10 Section, shall be confidential, except for official purposes or
11 pursuant to official procedures for collection of any State or
12 local tax or enforcement of any civil or criminal penalty or
13 sanction imposed by this Act or by any statute or ordinance
14 imposing a State or local tax. Any person who divulges any such
15 information in any manner, except in accordance with a proper
16 judicial order, is guilty of a Class A misdemeanor.

17 Nothing contained in this Section shall prevent the
18 Director or chief county assessment officer from publishing or
19 making available reasonable statistics concerning the
20 operation of the exemption contained in this Section in which
21 the contents of claims are grouped into aggregates in such a
22 way that information contained in any individual claim shall
23 not be disclosed.

24 (d) Each Chief County Assessment Officer shall annually
25 publish a notice of availability of the exemption provided
26 under this Section. The notice shall be published at least 60
27 days but no more than 75 days prior to the date on which the
28 application must be submitted to the Chief County Assessment
29 Officer of the county in which the property is located. The
30 notice shall appear in a newspaper of general circulation in
31 the county.

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

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

1 Section 90. The State Mandates Act is amended by adding
2 Section 8.30 as follows:

3 (30 ILCS 805/8.30 new)

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

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.