



Sen. Terry Link

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1 AMENDMENT TO SENATE BILL 2691

2 AMENDMENT NO. _____. Amend Senate Bill 2691 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Property Tax Code is amended by changing
5 Sections 15-170 and 15-176 and by adding Section 15-167 as
6 follows:

7 (35 ILCS 200/15-167 new)

8 Sec. 15-167. Returning Veterans' Homestead Exemption.

9 (a) A homestead exemption limited to a reduction set forth
10 under subsection (b) from the property's value, as equalized or
11 assessed by the Department, is granted for property that is
12 owned and occupied as a residence by a veteran returning from
13 an armed conflict involving the armed forces of the United
14 States who is liable for paying real estate taxes on the
15 property and is an owner of record of the property or has a
16 legal or equitable interest therein as evidenced by a written
17 instrument, except for a leasehold interest, other than a
18 leasehold interest of land on which a single family residence
19 is located, which is occupied as a residence by a veteran
20 returning from an armed conflict involving the armed forces of
21 the United States who has an ownership interest therein, legal,
22 equitable or as a lessee, and on which he or she is liable for
23 the payment of property taxes. For purposes of the exemption
24 under this Section, "veteran" means an Illinois resident who

1 has served as a member of the United States Armed Forces, a
2 member of the Illinois National Guard, or a member of the
3 United States Reserve Forces.

4 (b) In all counties, the reduction is \$5,000 and only for
5 the tax year in which the veteran returns from active duty in
6 an armed conflict involving the armed forces of the United
7 States. For land improved with an apartment building owned and
8 operated as a cooperative, the maximum reduction from the value
9 of the property, as equalized by the Department, shall be
10 multiplied by the number of apartments or units occupied by a
11 veteran returning from an armed conflict involving the armed
12 forces of the United States who is liable, by contract with the
13 owner or owners of record, for paying property taxes on the
14 property and is an owner of record of a legal or equitable
15 interest in the cooperative apartment building, other than a
16 leasehold interest. In a cooperative where a homestead
17 exemption has been granted, the cooperative association or the
18 management firm of the cooperative or facility shall credit the
19 savings resulting from that exemption only to the apportioned
20 tax liability of the owner or resident who qualified for the
21 exemption. Any person who willfully refuses to so credit the
22 savings shall be guilty of a Class B misdemeanor.

23 (c) Application shall be made during the application period
24 in effect for the county of his or her residence. The assessor
25 or chief county assessment officer may determine the
26 eligibility of residential property to receive the homestead
27 exemption provided by this Section by application, visual
28 inspection, questionnaire or other reasonable methods. The
29 determination shall be made in accordance with guidelines
30 established by the Department.

31 (d) The exemption under this Section is in addition to any
32 other homestead provided in Sections 15-170 through 15-176.
33 Notwithstanding Sections 6 and 8 of the State Mandates Act, no
34 reimbursement by the State is required for the implementation

1 of any mandate created by this Section.

2 (35 ILCS 200/15-170)

3 Sec. 15-170. Senior Citizens Homestead Exemption. An
4 annual homestead exemption limited, except as described here
5 with relation to cooperatives or life care facilities, to a
6 maximum reduction set forth below from the property's value, as
7 equalized or assessed by the Department, is granted for
8 property that is occupied as a residence by a person 65 years
9 of age or older who is liable for paying real estate taxes on
10 the property and is an owner of record of the property or has a
11 legal or equitable interest therein as evidenced by a written
12 instrument, except for a leasehold interest, other than a
13 leasehold interest of land on which a single family residence
14 is located, which is occupied as a residence by a person 65
15 years or older who has an ownership interest therein, legal,
16 equitable or as a lessee, and on which he or she is liable for
17 the payment of property taxes. Before taxable year 2004, the
18 maximum reduction shall be \$2,500 in counties with 3,000,000 or
19 more inhabitants and \$2,000 in all other counties. For taxable
20 years 2004 and thereafter, the maximum reduction shall be
21 \$3,000 in all counties. For land improved with an apartment
22 building owned and operated as a cooperative, the maximum
23 reduction from the value of the property, as equalized by the
24 Department, shall be multiplied by the number of apartments or
25 units occupied by a person 65 years of age or older who is
26 liable, by contract with the owner or owners of record, for
27 paying property taxes on the property and is an owner of record
28 of a legal or equitable interest in the cooperative apartment
29 building, other than a leasehold interest. For land improved
30 with a life care facility, the maximum reduction from the value
31 of the property, as equalized by the Department, shall be
32 multiplied by the number of apartments or units occupied by
33 persons 65 years of age or older, irrespective of any legal,

1 equitable, or leasehold interest in the facility, who are
2 liable, under a contract with the owner or owners of record of
3 the facility, for paying property taxes on the property. In a
4 cooperative or a life care facility where a homestead exemption
5 has been granted, the cooperative association or the management
6 firm of the cooperative or facility shall credit the savings
7 resulting from that exemption only to the apportioned tax
8 liability of the owner or resident who qualified for the
9 exemption. Any person who willfully refuses to so credit the
10 savings shall be guilty of a Class B misdemeanor. Under this
11 Section and Sections 15-175 and 15-176, "life care facility"
12 means a facility as defined in Section 2 of the Life Care
13 Facilities Act, with which the applicant for the homestead
14 exemption has a life care contract as defined in that Act.

15 When a homestead exemption has been granted under this
16 Section and the person qualifying subsequently becomes a
17 resident of a facility licensed under the Nursing Home Care
18 Act, the exemption shall continue so long as the residence
19 continues to be occupied by the qualifying person's spouse if
20 the spouse is 65 years of age or older, or if the residence
21 remains unoccupied but is still owned by the person qualified
22 for the homestead exemption.

23 A person who will be 65 years of age during the current
24 assessment year shall be eligible to apply for the homestead
25 exemption during that assessment year. Application shall be
26 made during the application period in effect for the county of
27 his residence.

28 Beginning with assessment year 2003, for taxes payable in
29 2004, property that is first occupied as a residence after
30 January 1 of any assessment year by a person who is eligible
31 for the senior citizens homestead exemption under this Section
32 must be granted a pro-rata exemption for the assessment year.
33 The amount of the pro-rata exemption is the exemption allowed
34 in the county under this Section divided by 365 and multiplied

1 by the number of days during the assessment year the property
2 is occupied as a residence by a person eligible for the
3 exemption under this Section. The chief county assessment
4 officer must adopt reasonable procedures to establish
5 eligibility for this pro-rata exemption.

6 The assessor or chief county assessment officer may
7 determine the eligibility of a life care facility to receive
8 the benefits provided by this Section, by affidavit,
9 application, visual inspection, questionnaire or other
10 reasonable methods in order to insure that the tax savings
11 resulting from the exemption are credited by the management
12 firm to the apportioned tax liability of each qualifying
13 resident. The assessor may request reasonable proof that the
14 management firm has so credited the exemption.

15 The chief county assessment officer of each county with
16 less than 3,000,000 inhabitants shall provide to each person
17 allowed a homestead exemption under this Section a form to
18 designate any other person to receive a duplicate of any notice
19 of delinquency in the payment of taxes assessed and levied
20 under this Code on the property of the person receiving the
21 exemption. The duplicate notice shall be in addition to the
22 notice required to be provided to the person receiving the
23 exemption, and shall be given in the manner required by this
24 Code. The person filing the request for the duplicate notice
25 shall pay a fee of \$5 to cover administrative costs to the
26 supervisor of assessments, who shall then file the executed
27 designation with the county collector. Notwithstanding any
28 other provision of this Code to the contrary, the filing of
29 such an executed designation requires the county collector to
30 provide duplicate notices as indicated by the designation. A
31 designation may be rescinded by the person who executed such
32 designation at any time, in the manner and form required by the
33 chief county assessment officer.

34 The assessor or chief county assessment officer may

1 determine the eligibility of residential property to receive
2 the homestead exemption provided by this Section by
3 application, visual inspection, questionnaire or other
4 reasonable methods. The determination shall be made in
5 accordance with guidelines established by the Department.

6 In all counties ~~with less than 3,000,000 inhabitants~~, the
7 county board may by resolution provide that if a person has
8 been granted a homestead exemption under this Section, the
9 person qualifying need not reapply for the exemption.

10 In counties with less than 3,000,000 inhabitants, if the
11 assessor or chief county assessment officer requires annual
12 application for verification of eligibility for an exemption
13 once granted under this Section, the application shall be
14 mailed to the taxpayer.

15 The assessor or chief county assessment officer shall
16 notify each person who qualifies for an exemption under this
17 Section that the person may also qualify for deferral of real
18 estate taxes under the Senior Citizens Real Estate Tax Deferral
19 Act. The notice shall set forth the qualifications needed for
20 deferral of real estate taxes, the address and telephone number
21 of county collector, and a statement that applications for
22 deferral of real estate taxes may be obtained from the county
23 collector.

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

27 (Source: P.A. 92-196, eff. 1-1-02; 93-511, eff. 8-11-03;
28 93-715, eff. 7-12-04.)

29 (35 ILCS 200/15-176)

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

31 (a) For the assessment years as determined under subsection
32 (j), in any county that has elected, by an ordinance in
33 accordance with subsection (k), to be subject to the provisions

1 of this Section in lieu of the provisions of Section 15-175,
2 homestead property is entitled to an annual homestead exemption
3 equal to a reduction in the property's equalized assessed value
4 calculated as provided in this Section.

5 (b) As used in this Section:

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

8 (2) "Adjusted homestead value" means the lesser of the
9 following values:

10 (A) The property's base homestead value increased
11 by 7% for each tax year after the base year through and
12 including the current tax year, or, if the property is
13 sold or ownership is otherwise transferred, the
14 property's base homestead value increased by 7% for
15 each tax year after the year of the sale or transfer
16 through and including the current tax year. The
17 increase by 7% each year is an increase by 7% over the
18 prior year.

19 (B) The property's equalized assessed value for
20 the current tax year minus (i) \$4,500 in Cook County or
21 \$3,500 in all other counties in tax year 2003 or (ii)
22 \$5,000 in all counties in tax year 2004 and thereafter.

23 (3) "Base homestead value".

24 (A) Except as provided in subdivision (b) (3) (B),
25 "base homestead value" means the equalized assessed
26 value of the property for the base year prior to
27 exemptions, minus (i) \$4,500 in Cook County or \$3,500
28 in all other counties in tax year 2003 or (ii) \$5,000
29 in all counties in tax year 2004 and thereafter,
30 provided that it was assessed for that year as
31 residential property qualified for any of the
32 homestead exemptions under Sections 15-170 through
33 15-175 of this Code, then in force, and further
34 provided that the property's assessment was not based

1 on a reduced assessed value resulting from a temporary
2 irregularity in the property for that year. Except as
3 provided in subdivision (b) (3) (B), if the property did
4 not have a residential equalized assessed value for the
5 base year, then "base homestead value" means the base
6 homestead value established by the assessor under
7 subsection (c).

8 (B) If the property is sold or ownership is
9 otherwise transferred, other than sales or transfers
10 between spouses or between a parent and a child, "base
11 homestead value" means the equalized assessed value of
12 the property at the time of the sale or transfer prior
13 to exemptions, minus (i) \$4,500 in Cook County or
14 \$3,500 in all other counties in tax year 2003 or (ii)
15 \$5,000 in all counties in tax year 2004 and thereafter,
16 provided that it was assessed as residential property
17 qualified for any of the homestead exemptions under
18 Sections 15-170 through 15-175 of this Code, then in
19 force, and further provided that the property's
20 assessment was not based on a reduced assessed value
21 resulting from a temporary irregularity in the
22 property.

23 (3.5) "Base year" means (i) tax year 2002 in Cook
24 County or (ii) tax year 2004 or 2005 ~~2002 or 2003~~ in all
25 other counties in accordance with the designation made by
26 the county as provided in subsection (k).

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

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

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

32 (A) Residential property that as of January 1 of
33 the tax year is occupied by its owner or owners as his,
34 her, or their principal dwelling place, or that is a

1 leasehold interest on which a single family residence
2 is situated, that is occupied as a residence by a
3 person who has a legal or equitable interest therein
4 evidenced by a written instrument, as an owner or as a
5 lessee, and on which the person is liable for the
6 payment of property taxes. Residential units in an
7 apartment building owned and operated as a
8 cooperative, or as a life care facility, which are
9 occupied by persons who hold a legal or equitable
10 interest in the cooperative apartment building or life
11 care facility as owners or lessees, and who are liable
12 by contract for the payment of property taxes, shall be
13 included within this definition of homestead property.

14 (B) A homestead includes the dwelling place,
15 appurtenant structures, and so much of the surrounding
16 land constituting the parcel on which the dwelling
17 place is situated as is used for residential purposes.
18 If the assessor has established a specific legal
19 description for a portion of property constituting the
20 homestead, then the homestead shall be limited to the
21 property within that description.

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

24 (c) If the property did not have a residential equalized
25 assessed value for the base year as provided in subdivision
26 (b) (3) (A) of this Section, then the assessor shall first
27 determine an initial value for the property by comparison with
28 assessed values for the base year of other properties having
29 physical and economic characteristics similar to those of the
30 subject property, so that the initial value is uniform in
31 relation to assessed values of those other properties for the
32 base year. The product of the initial value multiplied by the
33 equalized factor for the base year for homestead properties in
34 that county, less (i) \$4,500 in Cook County or \$3,500 in all

1 other counties in tax year 2003 or (ii) \$5,000 in all counties
2 in tax year 2004 and thereafter, is the base homestead value.

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

8 (d) The base homestead value shall remain constant, except
9 that the assessor may revise it under the following
10 circumstances:

11 (1) If the equalized assessed value of a homestead
12 property for the current tax year is less than the previous
13 base homestead value for that property, then the current
14 equalized assessed value (provided it is not based on a
15 reduced assessed value resulting from a temporary
16 irregularity in the property) shall become the base
17 homestead value in subsequent tax years.

18 (2) For any year in which new buildings, structures, or
19 other improvements are constructed on the homestead
20 property that would increase its assessed value, the
21 assessor shall adjust the base homestead value as provided
22 in subsection (c) of this Section with due regard to the
23 value added by the new improvements.

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

29 (e) The amount of the exemption under this Section is the
30 equalized assessed value of the homestead property for the
31 current tax year, minus the adjusted homestead value, with the
32 following exceptions:

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

1 through tax year:

2 (i) 2005, if the general assessment year for the
3 property is 2003;

4 (ii) 2006, if the general assessment year for the
5 property is 2004; or

6 (iii) 2007, if the general assessment year for the
7 property is 2005.

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

10 (1.5) For all tax years in all other counties other
11 than Cook County, the exemption under this Section shall
12 not exceed \$60,000 for any taxable year.

13 (2) In the case of homestead property that also
14 qualifies for the exemption under Section 15-172, the
15 property is entitled to the exemption under this Section,
16 limited to the amount of (i) \$4,500 in Cook County or
17 \$3,500 in all other counties in tax year 2003 or (ii)
18 \$5,000 in all counties in tax year 2004 and thereafter.

19 (f) In the case of an apartment building owned and operated
20 as a cooperative, or as a life care facility, that contains
21 residential units that qualify as homestead property under this
22 Section, the maximum cumulative exemption amount attributed to
23 the entire building or facility shall not exceed the sum of the
24 exemptions calculated for each qualified residential unit. The
25 cooperative association, management firm, or other person or
26 entity that manages or controls the cooperative apartment
27 building or life care facility shall credit the exemption
28 attributable to each residential unit only to the apportioned
29 tax liability of the owner or other person responsible for
30 payment of taxes as to that unit. Any person who willfully
31 refuses to so credit the exemption is guilty of a Class B
32 misdemeanor.

33 (g) When married persons maintain separate residences, the
34 exemption provided under this Section shall be claimed by only

1 one such person and for only one residence.

2 (h) In the event of a sale or other transfer in ownership
3 of the homestead property, the exemption under this Section
4 shall remain in effect for the remainder of the tax year in
5 which the sale or transfer occurs, but (other than for sales or
6 transfers between spouses or between a parent and a child)
7 shall be calculated using the new base homestead value as
8 provided in subdivision (b) (3) (B). The assessor may require the
9 new owner of the property to apply for the exemption in the
10 following year.

11 (i) The assessor may determine whether property qualifies
12 as a homestead under this Section by application, visual
13 inspection, questionnaire, or other reasonable methods. Each
14 year, at the time the assessment books are certified to the
15 county clerk by the board of review, the assessor shall furnish
16 to the county clerk a list of the properties qualified for the
17 homestead exemption under this Section. The list shall note the
18 base homestead value of each property to be used in the
19 calculation of the exemption for the current tax year.

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

22 (1) If the general assessment year for the property is
23 2003, this Section applies for assessment years 2003, 2004,
24 ~~and~~ 2005, 2006, 2007, and 2008. Thereafter, the provisions
25 of Section 15-175 apply.

26 (2) If the general assessment year for the property is
27 2004, this Section applies for assessment years 2004, 2005,
28 ~~and~~ 2006, 2007, 2008, and 2009. Thereafter, the provisions
29 of Section 15-175 apply.

30 (3) If the general assessment year for the property is
31 2005, this Section applies for assessment years 2005, 2006,
32 ~~and~~ 2007, 2008, 2009, and 2010. Thereafter, the provisions
33 of Section 15-175 apply.

34 In counties with less than 3,000,000 inhabitants, this

1 Section applies for assessment years (i) 2005, 2006, and 2007
2 if tax year 2004 ~~2003, 2004, and 2005 if 2002~~ is the designated
3 base year or (ii) 2006, 2007, and 2008 if tax year 2005 ~~2004,~~
4 ~~2005, and 2006 if 2003~~ is the designated base year. Thereafter,
5 the provisions of Section 15-175 apply.

6 (k) To be subject to the provisions of this Section in lieu
7 of Section 15-175, a county must adopt an ordinance to subject
8 itself to the provisions of this Section ~~within 6 months after~~
9 ~~the effective date of this amendatory Act of the 93rd General~~
10 ~~Assembly~~. In a county other than Cook County, the ordinance
11 must designate either tax year 2004 ~~2002~~ or tax year 2005 ~~2003~~
12 as the base year.

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

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

17 Section 90. The State Mandates Act is amended by adding
18 Section 8.30 as follows:

19 (30 ILCS 805/8.30 new)

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

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