

SB2872



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
SB2872

Introduced 1/20/2006, by Sen. Don Harmon

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-185

Amends the Property Tax Code. Provides for a property tax exemption for property that is leased by a municipality or unit of local government to another entity whose property is not exempt for the purpose of parking or for waste disposal or processing. Makes other changes.

LRB094 14984 BDD 50077 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

A BILL FOR

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 Section 15-185 as follows:

6 (35 ILCS 200/15-185)

7 Sec. 15-185. Exemption for leaseback property and
8 qualified leased property ~~Leaseback exemption.~~

9 (a) Notwithstanding anything in this Code to the contrary,
10 all property owned by a municipality with a population of over
11 500,000 inhabitants, or a unit of local government whose
12 jurisdiction includes territory located in whole or in part
13 within a municipality with a population of over 500,000
14 inhabitants, shall remain exempt from taxation and any
15 leasehold interest in that property shall not be subject to
16 taxation under Section 9-195 if either of the following
17 requirements are satisfied; ~~for the purpose of obtaining~~
18 ~~financing,~~

19 (1) ~~The~~ the property is directly or indirectly leased,
20 sold, or otherwise transferred to another entity whose
21 property is not exempt and immediately thereafter is the
22 subject of a leaseback or other agreement that directly or
23 indirectly gives the municipality or unit of local
24 government (i) a right to use, control, and possess the
25 property or (ii) a right to require the other entity, or
26 the other entity's designee or assignee, to use the
27 property in the performance of services for the
28 municipality or unit of local government. Property ~~The~~
29 ~~property~~ shall no longer be exempt under this item (1)
30 ~~Section~~ as of the date when the right of the municipality
31 or unit of local government to use, control, and possess
32 the property or to require the performance of services is

1 terminated and the municipality or unit of local government
2 no longer has any option to purchase or otherwise reacquire
3 the interest in the property which was transferred by the
4 municipality or unit of local government; or

5 (2) The property is leased by a municipality or unit of
6 local government to another entity whose property is not
7 exempt for the purpose of parking or for waste disposal or
8 processing.

9 (b) For purposes of this Section, "municipality" means a
10 municipality as defined in Section 1-1-2 of the Illinois
11 Municipal Code, and "unit of local government" means a unit of
12 local government as defined in Article VII, Section 1 of the
13 Constitution of the State of Illinois. The provisions of this
14 Section supersede and control over any conflicting provisions
15 of this Code.

16 (Source: P.A. 93-19, eff. 6-20-03.)