

SB3057



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

SB3057

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

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-185

Amends the Property Tax Code. Makes a technical change in a Section concerning leaseback exemptions.

LRB094 19145 BDD 54675 b

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. Leaseback exemption. Notwithstanding anything
8 in this ~~this~~ Code to the contrary, all property owned by a
9 municipality with a population of over 500,000 inhabitants, or
10 a unit of local government whose jurisdiction includes
11 territory located in whole or in part within a municipality
12 with a population of over 500,000 inhabitants, shall remain
13 exempt from taxation and any leasehold interest in that
14 property shall not be subject to taxation under Section 9-195
15 if, for the purpose of obtaining financing, the property is
16 directly or indirectly leased, sold, or otherwise transferred
17 to another entity whose property is not exempt and immediately
18 thereafter is the subject of a leaseback or other agreement
19 that directly or indirectly gives the municipality or unit of
20 local government (i) a right to use, control, and possess the
21 property or (ii) a right to require the other entity, or the
22 other entity's designee or assignee, to use the property in the
23 performance of services for the municipality or unit of local
24 government. The property shall no longer be exempt under this
25 Section as of the date when the right of the municipality or
26 unit of local government to use, control, and possess the
27 property or to require the performance of services is
28 terminated and the municipality or unit of local government no
29 longer has any option to purchase or otherwise reacquire the
30 interest in the property which was transferred by the
31 municipality or unit of local government.

32 For purposes of this Section, "municipality" means a

1 municipality as defined in Section 1-1-2 of the Illinois
2 Municipal Code, and "unit of local government" means a unit of
3 local government as defined in Article VII, Section 1 of the
4 Constitution of the State of Illinois. The provisions of this
5 Section supersede and control over any conflicting provisions
6 of this Code.

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