



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB1010

Introduced 2/8/2007, by Rep. Mike Boland

SYNOPSIS AS INTRODUCED:

35 ILCS 200/14-20
35 ILCS 200/15-10
35 ILCS 200/15-172

Amends the Property Tax Code. Includes disabled persons within the provisions awarding an assessment freeze homestead exemption to senior citizens. Changes the name to the Senior Citizens and Disabled Persons Assessment Freeze Homestead Exemption (now Senior Citizens Assessment Freeze Homestead Exemption). Makes corresponding changes to a cross-reference to the exemption.

LRB095 07980 BDD 28142 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning taxes.

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 Sections 14-20, 15-10, and 15-172 as follows:

6 (35 ILCS 200/14-20)

7 Sec. 14-20. Certificate of error; counties of less than
8 3,000,000. In any county with less than 3,000,000 inhabitants,
9 if, at any time before judgment or order of sale is entered in
10 any proceeding to collect or to enjoin the collection of taxes
11 based upon any assessment of any property, the chief county
12 assessment officer discovers an error or mistake in the
13 assessment (other than errors of judgment as to the valuation
14 of the property), he or she shall issue to the person
15 erroneously assessed a certificate setting forth the nature of
16 the error and the cause or causes of the error. In any county
17 with less than 3,000,000 inhabitants, if an owner fails to file
18 an application for the Senior Citizens and Disabled Persons
19 Assessment Freeze Homestead Exemption provided in Section
20 15-172 during the previous assessment year and qualifies for
21 the exemption, the Chief County Assessment Officer pursuant to
22 this Section, or the Board of Review pursuant to Section 16-75,
23 shall issue a certificate of error setting forth the correct

1 taxable valuation of the property. The certificate, when
2 properly endorsed by the majority of the board of review,
3 showing their concurrence, and not otherwise, may be used in
4 evidence in any court of competent jurisdiction, and when so
5 introduced in evidence, shall become a part of the court record
6 and shall not be removed from the files except on an order of
7 the court.

8 (Source: P.A. 90-552, eff. 12-12-97; 91-377, eff. 7-30-99.)

9 (35 ILCS 200/15-10)

10 Sec. 15-10. Exempt property; procedures for certification.
11 All property granted an exemption by the Department pursuant to
12 the requirements of Section 15-5 and described in the Sections
13 following Section 15-30 and preceding Section 16-5, to the
14 extent therein limited, is exempt from taxation. In order to
15 maintain that exempt status, the titleholder or the owner of
16 the beneficial interest of any property that is exempt must
17 file with the chief county assessment officer, on or before
18 January 31 of each year (May 31 in the case of property
19 exempted by Section 15-170), an affidavit stating whether there
20 has been any change in the ownership or use of the property or
21 the status of the owner-resident, or that a disabled veteran
22 who qualifies under Section 15-165 owned and used the property
23 as of January 1 of that year. The nature of any change shall be
24 stated in the affidavit. Failure to file an affidavit shall, in
25 the discretion of the assessment officer, constitute cause to

1 terminate the exemption of that property, notwithstanding any
2 other provision of this Code. Owners of 5 or more such exempt
3 parcels within a county may file a single annual affidavit in
4 lieu of an affidavit for each parcel. The assessment officer,
5 upon request, shall furnish an affidavit form to the owners, in
6 which the owner may state whether there has been any change in
7 the ownership or use of the property or status of the owner or
8 resident as of January 1 of that year. The owner of 5 or more
9 exempt parcels shall list all the properties giving the same
10 information for each parcel as required of owners who file
11 individual affidavits.

12 However, titleholders or owners of the beneficial interest
13 in any property exempted under any of the following provisions
14 are not required to submit an annual filing under this Section:

15 (1) Section 15-45 (burial grounds) in counties of less
16 than 3,000,000 inhabitants and owned by a not-for-profit
17 organization.

18 (2) Section 15-40.

19 (3) Section 15-50 (United States property).

20 If there is a change in use or ownership, however, notice
21 must be filed pursuant to Section 15-20.

22 An application for homestead exemptions shall be filed as
23 provided in Section 15-170 (senior citizens homestead
24 exemption), Section 15-172 (senior citizens and disabled
25 persons assessment freeze homestead exemption), and Sections
26 15-175 and 15-176 (general homestead exemption), respectively.

1 (Source: P.A. 92-333, eff. 8-10-01; 92-729, eff. 7-25-02;
2 93-715, eff. 7-12-04.)

3 (35 ILCS 200/15-172)

4 Sec. 15-172. Senior Citizens and Disabled Persons
5 Assessment Freeze Homestead Exemption.

6 (a) This Section may be cited as the Senior Citizens and
7 Disabled Persons Assessment Freeze Homestead Exemption.

8 (b) As used in this Section:

9 "Applicant" means an individual who has filed an
10 application under this Section.

11 "Base amount" means the base year equalized assessed value
12 of the residence plus the first year's equalized assessed value
13 of any added improvements which increased the assessed value of
14 the residence after the base year.

15 "Base year" means the taxable year prior to the taxable
16 year for which the applicant first qualifies and applies for
17 the exemption provided that in the prior taxable year the
18 property was improved with a permanent structure that was
19 occupied as a residence by the applicant who was liable for
20 paying real property taxes on the property and who was either
21 (i) an owner of record of the property or had legal or
22 equitable interest in the property as evidenced by a written
23 instrument or (ii) had a legal or equitable interest as a
24 lessee in the parcel of property that was single family
25 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 "Disabled person" means a person unable to engage in any
25 substantial gainful activity by reason of a medically
26 determinable physical or mental impairment that (i) can be

1 expected to result in death or (ii) has lasted or can be
2 expected to last for a continuous period of not less than 12
3 months. Disabled persons applying for the exemption under this
4 Section must submit proof of the disability in the manner
5 prescribed by the chief county assessment officer. Proof that
6 an applicant is eligible to receive disability benefits under
7 the federal Social Security Act constitutes proof of disability
8 for purposes of this Section. Issuance of an Illinois Disabled
9 Person Identification Card to the applicant stating that the
10 possessor is under a Class 2 disability, as defined in Section
11 4A of the Illinois Identification Card Act, constitutes proof
12 that the person is a disabled person for purposes of this
13 Section. A disabled person not covered under the federal Social
14 Security Act and not presenting a Disabled Person
15 Identification Card stating that the claimant is under a Class
16 2 disability shall be examined by a physician designated by the
17 chief county assessment officer, and the status as a disabled
18 person shall be determined using the standards of the Social
19 Security Administration. The applicant shall pay the costs of
20 any required examination.

21 "Equalized assessed value" means the assessed value as
22 equalized by the Illinois Department of Revenue.

23 "Household" means the applicant, the spouse of the
24 applicant, and all persons using the residence of the applicant
25 as their principal place of residence.

26 "Household income" means the combined income of the members

1 of a household for the calendar year preceding the taxable
2 year.

3 "Income" has the same meaning as provided in Section 3.07
4 of the Senior Citizens and Disabled Persons Property Tax Relief
5 and Pharmaceutical Assistance Act, except that, beginning in
6 assessment year 2001, "income" does not include veteran's
7 benefits.

8 "Internal Revenue Code of 1986" means the United States
9 Internal Revenue Code of 1986 or any successor law or laws
10 relating to federal income taxes in effect for the year
11 preceding the taxable year.

12 "Life care facility that qualifies as a cooperative" means
13 a facility as defined in Section 2 of the Life Care Facilities
14 Act.

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

25 "Taxable year" means the calendar year during which ad
26 valorem property taxes payable in the next succeeding year are

1 levied.

2 (c) Beginning in (1) taxable year 1994, for a senior
3 citizens and (2) taxable year 2007, for disabled persons, an
4 assessment freeze homestead exemption is granted for real
5 property that is improved with a permanent structure that is
6 occupied as a residence by an applicant who (i) is 65 years of
7 age or older, or disabled, during the taxable year, (ii) has a
8 household income of \$35,000 or less prior to taxable year 1999,
9 \$40,000 or less in taxable years 1999 through 2003, \$45,000 or
10 less in taxable year 2004 and 2005, and \$50,000 or less in
11 taxable year 2006 and thereafter, (iii) is liable for paying
12 real property taxes on the property, and (iv) is an owner of
13 record of the property or has a legal or equitable interest in
14 the property as evidenced by a written instrument. This
15 homestead exemption shall also apply to a leasehold interest in
16 a parcel of property improved with a permanent structure that
17 is a single family residence that is occupied as a residence by
18 a person who (i) is 65 years of age or older, or disabled,
19 during the taxable year, (ii) has a household income of \$35,000
20 or less prior to taxable year 1999, \$40,000 or less in taxable
21 years 1999 through 2003, \$45,000 or less in taxable year 2004
22 and 2005, and \$50,000 or less in taxable year 2006 and
23 thereafter, (iii) has a legal or equitable ownership interest
24 in the property as lessee, and (iv) is liable for the payment
25 of real property taxes on that property.

26 Through taxable year 2005, the amount of this exemption

1 shall be the equalized assessed value of the residence in the
2 taxable year for which application is made minus the base
3 amount. For taxable year 2006 and thereafter, the amount of the
4 exemption is as follows:

5 (1) For an applicant who has a household income of
6 \$45,000 or less, the amount of the exemption is the
7 equalized assessed value of the residence in the taxable
8 year for which application is made minus the base amount.

9 (2) For an applicant who has a household income
10 exceeding \$45,000 but not exceeding \$46,250, the amount of
11 the exemption is (i) the equalized assessed value of the
12 residence in the taxable year for which application is made
13 minus the base amount (ii) multiplied by 0.8.

14 (3) For an applicant who has a household income
15 exceeding \$46,250 but not exceeding \$47,500, the amount of
16 the exemption is (i) the equalized assessed value of the
17 residence in the taxable year for which application is made
18 minus the base amount (ii) multiplied by 0.6.

19 (4) For an applicant who has a household income
20 exceeding \$47,500 but not exceeding \$48,750, the amount of
21 the exemption is (i) the equalized assessed value of the
22 residence in the taxable year for which application is made
23 minus the base amount (ii) multiplied by 0.4.

24 (5) For an applicant who has a household income
25 exceeding \$48,750 but not exceeding \$50,000, the amount of
26 the exemption is (i) the equalized assessed value of the

1 residence in the taxable year for which application is made
2 minus the base amount (ii) multiplied by 0.2.

3 When the applicant is a surviving spouse of an applicant
4 for a prior year for the same residence for which an exemption
5 under this Section has been granted, the base year and base
6 amount for that residence are the same as for the applicant for
7 the prior year.

8 Each year at the time the assessment books are certified to
9 the County Clerk, the Board of Review or Board of Appeals shall
10 give to the County Clerk a list of the assessed values of
11 improvements on each parcel qualifying for this exemption that
12 were added after the base year for this parcel and that
13 increased the assessed value of the property.

14 In the case of land improved with an apartment building
15 owned and operated as a cooperative or a building that is a
16 life care facility that qualifies as a cooperative, the maximum
17 reduction from the equalized assessed value of the property is
18 limited to the sum of the reductions calculated for each unit
19 occupied as a residence by a person or persons (i) 65 years of
20 age or older, or disabled, (ii) with a household income of
21 \$35,000 or less prior to taxable year 1999, \$40,000 or less in
22 taxable years 1999 through 2003, \$45,000 or less in taxable
23 year 2004 and 2005, and \$50,000 or less in taxable year 2006
24 and thereafter, (iii) who is liable, by contract with the owner
25 or owners of record, for paying real property taxes on the
26 property, and (iv) who is an owner of record of a legal or

1 equitable interest in the cooperative apartment building,
2 other than a leasehold interest. In the instance of a
3 cooperative where a homestead exemption has been granted under
4 this Section, the cooperative association or its management
5 firm shall credit the savings resulting from that exemption
6 only to the apportioned tax liability of the owner who
7 qualified for the exemption. Any person who willfully refuses
8 to credit that savings to an owner who qualifies for the
9 exemption is guilty of a Class B misdemeanor.

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

17 Beginning January 1, 1997 for senior citizens and January
18 1, 2007 for disabled persons, when an individual dies who would
19 have qualified for an exemption under this Section, and the
20 surviving spouse does not independently qualify for this
21 exemption because he or she meets neither the ~~of~~ age nor the
22 disability requirement, the exemption under this Section shall
23 be granted to the surviving spouse for the taxable year
24 preceding and the taxable year of the death, provided that,
25 except for meeting neither the age nor the disability
26 requirement, the surviving spouse meets all ~~other~~

1 qualifications for the granting of this exemption for those
2 years.

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

6 For taxable year 1994 only, in counties having less than
7 3,000,000 inhabitants, to receive the exemption, a person shall
8 submit an application by February 15, 1995 to the Chief County
9 Assessment Officer of the county in which the property is
10 located. In counties having 3,000,000 or more inhabitants, for
11 taxable year 1994 and all subsequent taxable years, to receive
12 the exemption, a person may submit an application to the Chief
13 County Assessment Officer of the county in which the property
14 is located during such period as may be specified by the Chief
15 County Assessment Officer. The Chief County Assessment Officer
16 in counties of 3,000,000 or more inhabitants shall annually
17 give notice of the application period by mail or by
18 publication. In counties having less than 3,000,000
19 inhabitants, beginning with taxable year 1995 and thereafter,
20 to receive the exemption, a person shall submit an application
21 by July 1 of each taxable year to the Chief County Assessment
22 Officer of the county in which the property is located. A
23 county may, by ordinance, establish a date for submission of
24 applications that is different than July 1. The applicant shall
25 submit with the application an affidavit of the applicant's
26 total household income, age, marital status (and if married the

1 name and address of the applicant's spouse, if known),
2 disability (if applying for the exemption as a disabled
3 person), and principal dwelling place of members of the
4 household on January 1 of the taxable year. The Department
5 shall establish, by rule, a method for verifying the accuracy
6 of affidavits filed by applicants under this Section. The
7 applications shall be clearly marked as applications for the
8 Senior Citizens and Disabled Persons Assessment Freeze
9 Homestead Exemption.

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

1 applicant regained the capability to file the application.

2 Beginning January 1, 1998, notwithstanding any other
3 provision to the contrary, in counties having fewer than
4 3,000,000 inhabitants, if an applicant fails to file the
5 application required by this Section in a timely manner and
6 this failure to file is due to a mental or physical condition
7 sufficiently severe so as to render the applicant incapable of
8 filing the application in a timely manner, the Chief County
9 Assessment Officer may extend the filing deadline for a period
10 of 3 months. In order to receive the extension provided in this
11 paragraph, the applicant shall provide the Chief County
12 Assessment Officer with a signed statement from the applicant's
13 physician stating the nature and extent of the condition, and
14 that, in the physician's opinion, the condition was so severe
15 that it rendered the applicant incapable of filing the
16 application in a timely manner.

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

1 (ii) the amount of any exemption denied to the applicant in
2 taxable year 1996 as a result of using 1994, rather than 1993,
3 as the base year, and (iii) the amount of the exemption
4 erroneously denied for taxable year 1994.

5 For purposes of this Section, a person who will be 65 years
6 of age or is disabled during the current taxable year shall be
7 eligible to apply for the homestead exemption during that
8 taxable year. Application shall be made during the application
9 period in effect for the county of his or her residence.

10 The Chief County Assessment Officer may determine the
11 eligibility of a life care facility that qualifies as a
12 cooperative to receive the benefits provided by this Section by
13 use of an affidavit, application, visual inspection,
14 questionnaire, or other reasonable method in order to insure
15 that the tax savings resulting from the exemption are credited
16 by the management firm to the apportioned tax liability of each
17 qualifying resident. The Chief County Assessment Officer may
18 request reasonable proof that the management firm has so
19 credited that exemption.

20 Except as provided in this Section, all information
21 received by the chief county assessment officer or the
22 Department from applications filed under this Section, or from
23 any investigation conducted under the provisions of this
24 Section, shall be confidential, except for official purposes or
25 pursuant to official procedures for collection of any State or
26 local tax or enforcement of any civil or criminal penalty or

1 sanction imposed by this Act or by any statute or ordinance
2 imposing a State or local tax. Any person who divulges any such
3 information in any manner, except in accordance with a proper
4 judicial order, is guilty of a Class A misdemeanor.

5 Nothing contained in this Section shall prevent the
6 Director or chief county assessment officer from publishing or
7 making available reasonable statistics concerning the
8 operation of the exemption contained in this Section in which
9 the contents of claims are grouped into aggregates in such a
10 way that information contained in any individual claim shall
11 not be disclosed.

12 (d) Each Chief County Assessment Officer shall annually
13 publish a notice of availability of the exemption provided
14 under this Section. The notice shall be published at least 60
15 days but no more than 75 days prior to the date on which the
16 application must be submitted to the Chief County Assessment
17 Officer of the county in which the property is located. The
18 notice shall appear in a newspaper of general circulation in
19 the county.

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

23 (Source: P.A. 93-715, eff. 7-12-04; 94-794, eff. 5-22-06.)