



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB5517

by Rep. Daniel J. Burke

SYNOPSIS AS INTRODUCED:

35 ILCS 200/12-30
35 ILCS 200/15-178 new
30 ILCS 805/8.32 new

Amends the Property Tax Code. Creates a homestead improvement exemption for the installation and maintenance of a residential fire safety sprinkler system. Provides that homestead properties that (i) have been improved with a fire safety sprinkler system after January 1, 2008 (ii) or have been modified after January 1, 2008 under a safety compliance plan are entitled to a fire safety sprinkler homestead improvement exemption, limited to \$2,500 or the actual cost of installation, whichever is less, for the year that the system is installed, and \$100 each year thereafter that the system remains in place, when that property is owned and used exclusively for a residential purpose. Further amends the Property Tax Code and the Criminal Code of 1961 to add cross-references. Amends the State Mandates Act to require implementation without reimbursement from the State. Effective immediately.

LRB095 17547 BDD 43621 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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 Section 12-30 and by adding Section 15-178 as follows:

6 (35 ILCS 200/12-30)

7 Sec. 12-30. Mailed notice of changed assessments; counties
8 of less than 3,000,000. In every county with less than
9 3,000,000 inhabitants, in addition to the publication of the
10 list of assessments in each year of a general assessment and of
11 the list of property for which assessments have been added or
12 changed, as provided above, a notice shall be mailed by the
13 chief county assessment officer to each taxpayer whose
14 assessment has been changed since the last preceding
15 assessment, using the address as it appears on the assessor's
16 records, except in the case of changes caused by a change in
17 the county equalization factor by the Department or in the case
18 of changes resulting from equalization by the supervisor of
19 assessments under Section 9-210, during any year such change is
20 made. The notice may, but need not be, sent by a township
21 assessor. The notice shall include the median level of
22 assessment in the assessment district (as determined by the
23 most recent 3 year assessment to sales ratio study adjusted to

1 take into account any changes in assessment levels since the
2 data for the studies were collected), the previous year's
3 assessed value after board of review equalization, current
4 assessed value and, in bold type, a notice of possible
5 eligibility for a homestead improvement exemption as provided
6 in Sections 15-178 and ~~Section~~ 15-180.

7 The notice shall include a statement in substantially the
8 following form:

9 "NOTICE TO TAXPAYER

10 Your property is to be assessed at the median level of
11 assessment for your assessment district. You may check the
12 accuracy of your assessment by dividing your assessment by the
13 median level of assessment for your assessment district. If the
14 resulting value is greater than the estimated fair cash value
15 of your property, you may be over-assessed. If the resulting
16 value is less than the estimated fair cash value of your
17 property, you may be under-assessed. You may appeal your
18 assessment to the Board of Review in the manner described
19 elsewhere in this notice."

20 The notice shall contain a brief explanation of the
21 relationship between the assessment and the tax bill (including
22 an explanation of the equalization factors) and an explanation
23 that the assessment stated for the preceding year is the
24 assessment after equalization by the board of review in the
25 preceding year, and shall set forth the procedures and time
26 limits for appealing assessments and that assessments of

1 property, other than farm land and coal, are required by law to
2 be 33 1/3% of value. Where practicable, the notice shall
3 include the reason for any increase in the property's
4 valuation. The notice must also state the name and price per
5 copy by mail of the newspaper in which the list of assessments
6 will be published. The form and manner of providing the
7 information and explanations required to be in the notice shall
8 be prescribed by the Department.

9 (Source: P.A. 87-1189; 88-455; incorporates 88-321; 88-670,
10 eff. 12-2-94.)

11 (35 ILCS 200/15-178 new)

12 Sec. 15-178. Homestead improvements; fire safety system.
13 Homestead properties that (i) have been improved with a fire
14 safety sprinkler system after January 1, 2008 or (ii) have been
15 modified after January 1, 2008 to comply with a fire safety
16 compliance plan approved by the applicable local authorities
17 are entitled to a fire safety homestead improvement exemption,
18 limited to \$2,500 or the actual cost of installation or
19 modification, whichever is less, for the year that the system
20 is installed or the modification is made, and \$100 each year
21 thereafter that the system or modification remains in place, in
22 equalized and assessed value, when that property is owned and
23 used exclusively for a residential purpose. The exemption shall
24 be in addition to the exemption that may be available to a
25 person under Section 15-180. The exemption shall continue for

1 as long as the system remains in place. The assessor or chief
2 county assessment officer may determine the eligibility of
3 residential property to receive the homestead exemption
4 provided by this Section by application, visual inspection,
5 questionnaire, or other reasonable methods. The determination
6 shall be made in accordance with guidelines established by the
7 Department. For land improved with an apartment building owned
8 and operated as a cooperative, the maximum reduction from the
9 equalized assessed value of the property shall be multiplied by
10 the number of apartments or units in the building. Whenever the
11 cost of installing or maintaining a fire safety sprinkler
12 system or the cost of making a building modification to comply
13 with a life safety compliance plan is recouped by special
14 assessment or similar assessment imposed by a condominium
15 association or other entity upon the owner of a condominium
16 unit or cooperative apartment or unit, the "actual cost of
17 installation or modification" for the year that the system is
18 installed or the modification is made with respect to that unit
19 or apartment shall be the total annual amount of the special
20 assessment for each year that the assessment is paid, up to a
21 total of \$2,500 for all years; provided that nothing in this
22 sentence limits the amount of the exemption that is available
23 in subsequent years.

24 "Homestead property" under this Section includes
25 residential property that is occupied by its owner or owners as
26 his, her, or their principal dwelling place, or that is a

1 leasehold interest on which a single family residence is
2 situated, which is occupied as a residence by a person who has
3 an ownership interest therein, legal or equitable or as a
4 lessee, and on which the person is liable for the payment of
5 property taxes. "Fire safety sprinkler system" under this
6 Section means an automatic sprinkler system that meets the
7 standard for such systems established by local fire protection
8 authorities or the Office of the State Fire Marshal.

9 For purposes of this Section, "life safety compliance plan"
10 means a plan concerning public safety adopted by a unit of
11 local government that is imposed upon a building owner as an
12 alternative or supplement to any requirement concerning a fire
13 safety sprinkler system.

14 In a cooperative where an exemption has been granted, the
15 cooperative association or its management firm shall credit the
16 savings resulting from the exemption against the apportioned
17 tax liability of the owner who qualified for the exemption. Any
18 person who willfully refuses to so credit the savings shall be
19 guilty of a Class B misdemeanor.

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 Section 90. The State Mandates Act is amended by adding
24 Section 8.32 as follows:

1 (30 ILCS 805/8.32 new)

2 Sec. 8.32. Exempt mandate. Notwithstanding Sections 6 and 8
3 of this Act, no reimbursement by the State is required for the
4 implementation of any mandate created by this amendatory Act of
5 the 95th General Assembly.

6 Section 99. Effective date. This Act takes effect upon
7 becoming law.