



Sen. Terry Link

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1 AMENDMENT TO SENATE BILL 13

2 AMENDMENT NO. _____. Amend Senate Bill 13 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
11 or 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

1 instrument, except for a leasehold interest, other than a
2 leasehold interest of land on which a single family residence
3 is located, which is occupied as a residence by a veteran
4 returning from an armed conflict involving the armed forces of
5 the United States who has an ownership interest therein, legal,
6 equitable or as a lessee, and on which he or she is liable for
7 the payment of property taxes. For purposes of the exemption
8 under this Section, "veteran" means an Illinois resident who
9 has served as a member of the United States Armed Forces, a
10 member of the Illinois National Guard, or a member of the
11 United States Reserve Forces.

12 (b) In all counties, the reduction is \$5,000 and only for
13 the tax year in which the veteran returns from active duty in
14 an armed conflict involving the armed forces of the United
15 States. For land improved with an apartment building owned and
16 operated as a cooperative, the maximum reduction from the value
17 of the property, as equalized by the Department, must be
18 multiplied by the number of apartments or units occupied by a
19 veteran returning from an armed conflict involving the armed
20 forces of the United States who is liable, by contract with the
21 owner or owners of record, for paying property taxes on the
22 property and is an owner of record of a legal or equitable
23 interest in the cooperative apartment building, other than a
24 leasehold interest. In a cooperative where a homestead
25 exemption has been granted, the cooperative association or the
26 management firm of the cooperative or facility shall credit the

1 savings resulting from that exemption only to the apportioned
2 tax liability of the owner or resident who qualified for the
3 exemption. Any person who willfully refuses to so credit the
4 savings is guilty of a Class B misdemeanor.

5 (c) Application must be made during the application period
6 in effect for the county of his or her residence. The assessor
7 or chief county assessment officer may determine the
8 eligibility of residential property to receive the homestead
9 exemption provided by this Section by application, visual
10 inspection, questionnaire, or other reasonable methods. The
11 determination must be made in accordance with guidelines
12 established by the Department.

13 (d) The exemption under this Section is in addition to any
14 other homestead provided in Sections 15-170 through 15-176.
15 Notwithstanding Sections 6 and 8 of the State Mandates Act, no
16 reimbursement by the State is required for the implementation
17 of any mandate created by this Section.

18 (35 ILCS 200/15-170)

19 Sec. 15-170. Senior Citizens Homestead Exemption. An
20 annual homestead exemption limited, except as described here
21 with relation to cooperatives or life care facilities, to a
22 maximum reduction set forth below from the property's value, as
23 equalized or assessed by the Department, is granted for
24 property that is occupied as a residence by a person 65 years
25 of age or older who is liable for paying real estate taxes on

1 the property and is an owner of record of the property or has a
2 legal or equitable interest therein as evidenced by a written
3 instrument, except for a leasehold interest, other than a
4 leasehold interest of land on which a single family residence
5 is located, which is occupied as a residence by a person 65
6 years or older who has an ownership interest therein, legal,
7 equitable or as a lessee, and on which he or she is liable for
8 the payment of property taxes. Before taxable year 2004, the
9 maximum reduction shall be \$2,500 in counties with 3,000,000 or
10 more inhabitants and \$2,000 in all other counties. For taxable
11 years 2004 through 2005, the maximum reduction shall be \$3,000
12 in all counties. For taxable years 2006 and thereafter, the
13 maximum reduction shall be \$3,500 in all counties.

14 For land improved with an apartment building owned and
15 operated as a cooperative, the maximum reduction from the value
16 of the property, as equalized by the Department, shall be
17 multiplied by the number of apartments or units occupied by a
18 person 65 years of age or older who is liable, by contract with
19 the owner or owners of record, for paying property taxes on the
20 property and is an owner of record of a legal or equitable
21 interest in the cooperative apartment building, other than a
22 leasehold interest. For land improved with a life care
23 facility, the maximum reduction from the value of the property,
24 as equalized by the Department, shall be multiplied by the
25 number of apartments or units occupied by persons 65 years of
26 age or older, irrespective of any legal, equitable, or

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

1 his residence.

2 Beginning with assessment year 2003, for taxes payable in
3 2004, property that is first occupied as a residence after
4 January 1 of any assessment year by a person who is eligible
5 for the senior citizens homestead exemption under this Section
6 must be granted a pro-rata exemption for the assessment year.
7 The amount of the pro-rata exemption is the exemption allowed
8 in the county under this Section divided by 365 and multiplied
9 by the number of days during the assessment year the property
10 is occupied as a residence by a person eligible for the
11 exemption under this Section. The chief county assessment
12 officer must adopt reasonable procedures to establish
13 eligibility for this pro-rata exemption.

14 The assessor or chief county assessment officer may
15 determine the eligibility of a life care facility to receive
16 the benefits provided by this Section, by affidavit,
17 application, visual inspection, questionnaire or other
18 reasonable methods in order to insure that the tax savings
19 resulting from the exemption are credited by the management
20 firm to the apportioned tax liability of each qualifying
21 resident. The assessor may request reasonable proof that the
22 management firm has so credited the exemption.

23 The chief county assessment officer of each county with
24 less than 3,000,000 inhabitants shall provide to each person
25 allowed a homestead exemption under this Section a form to
26 designate any other person to receive a duplicate of any notice

1 of delinquency in the payment of taxes assessed and levied
2 under this Code on the property of the person receiving the
3 exemption. The duplicate notice shall be in addition to the
4 notice required to be provided to the person receiving the
5 exemption, and shall be given in the manner required by this
6 Code. The person filing the request for the duplicate notice
7 shall pay a fee of \$5 to cover administrative costs to the
8 supervisor of assessments, who shall then file the executed
9 designation with the county collector. Notwithstanding any
10 other provision of this Code to the contrary, the filing of
11 such an executed designation requires the county collector to
12 provide duplicate notices as indicated by the designation. A
13 designation may be rescinded by the person who executed such
14 designation at any time, in the manner and form required by the
15 chief county assessment officer.

16 The assessor or chief county assessment officer may
17 determine the eligibility of residential property to receive
18 the homestead exemption provided by this Section by
19 application, visual inspection, questionnaire or other
20 reasonable methods. The determination shall be made in
21 accordance with guidelines established by the Department.

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

26 In counties with less than 3,000,000 inhabitants, if the

1 assessor or chief county assessment officer requires annual
2 application for verification of eligibility for an exemption
3 once granted under this Section, the application shall be
4 mailed to the taxpayer.

5 The assessor or chief county assessment officer shall
6 notify each person who qualifies for an exemption under this
7 Section that the person may also qualify for deferral of real
8 estate taxes under the Senior Citizens Real Estate Tax Deferral
9 Act. The notice shall set forth the qualifications needed for
10 deferral of real estate taxes, the address and telephone number
11 of county collector, and a statement that applications for
12 deferral of real estate taxes may be obtained from the county
13 collector.

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

17 (Source: P.A. 93-511, eff. 8-11-03; 93-715, eff. 7-12-04;
18 94-794, eff. 5-22-06.)

19 (35 ILCS 200/15-176)

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

21 (a) For the assessment years as determined under subsection
22 (j), in any county that has elected, by an ordinance in
23 accordance with subsection (k), to be subject to the provisions
24 of this Section in lieu of the provisions of Section 15-175,
25 homestead property is entitled to an annual homestead exemption

1 equal to a reduction in the property's equalized assessed value
2 calculated as provided in this Section.

3 (b) As used in this Section:

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

6 (2) "Adjusted homestead value" means the lesser of the
7 following values:

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

17 (B) The property's equalized assessed value for
18 the current tax year minus: (i) \$4,500 in Cook County
19 or \$3,500 in all other counties in tax year 2003; ~~or~~
20 (ii) \$5,000 in all counties in tax years ~~year~~ 2004 and
21 2005; and (iii) the lesser of \$5,000 or an amount equal
22 to the increase in the equalized assessed value for the
23 current tax year above the equalized value for 1977 in
24 tax year 2006 and thereafter.

25 (3) "Base homestead value".

26 (A) Except as provided in subdivision (b) (3) (A-5)

1 or (b) (3) (B), "base homestead value" means the
2 equalized assessed value of the property for the base
3 year prior to exemptions, minus (i) \$4,500 in Cook
4 County or \$3,500 in all other counties in tax year 2003
5 or (ii) \$5,000 in all counties in tax year 2004 and
6 thereafter, provided that it was assessed for that year
7 as residential property qualified for any of the
8 homestead exemptions under Sections 15-170 through
9 15-175 of this Code, then in force, and further
10 provided that the property's assessment was not based
11 on a reduced assessed value resulting from a temporary
12 irregularity in the property for that year. Except as
13 provided in subdivision (b) (3) (B), if the property did
14 not have a residential equalized assessed value for the
15 base year, then "base homestead value" means the base
16 homestead value established by the assessor under
17 subsection (c).

18 (A-5) On or before July 1, 2007, in Cook County,
19 the base homestead value, as set forth under
20 subdivision (b) (3) (A) and except as provided under
21 subdivision (b) (3) (B), must be recalculated as the
22 equalized assessed value of the property for the base
23 year, prior to exemptions, minus:

24 (1) if the general assessment year for the
25 property was 2003, the lesser of (i) \$4,500 or (ii)
26 the amount equal to the increase in equalized

1 assessed value for the 2002 tax year above the
2 equalized assessed value for 1977;

3 (2) if the general assessment year for the
4 property was 2004, the lesser of (i) \$4,500 or (ii)
5 the amount equal to the increase in equalized
6 assessed value for the 2003 tax year above the
7 equalized assessed value for 1977;

8 (3) if the general assessment year for the
9 property was 2005, the lesser of (i) \$5,000 or (ii)
10 the amount equal to the increase in equalized
11 assessed value for the 2004 tax year above the
12 equalized assessed value for 1977.

13 (B) If the property is sold or ownership is
14 otherwise transferred, other than sales or transfers
15 between spouses or between a parent and a child, "base
16 homestead value" means the equalized assessed value of
17 the property at the time of the sale or transfer prior
18 to exemptions, minus: (i) \$4,500 in Cook County or
19 \$3,500 in all other counties in tax year 2003; ~~or~~ (ii)
20 \$5,000 in all counties in tax years ~~year~~ 2004 and 2005;
21 and (iii) the lesser of \$5,000 or an amount equal to
22 the increase in the equalized assessed value for the
23 current tax year above the equalized value for 1977 in
24 tax year 2006 and thereafter, provided that it was
25 assessed as residential property qualified for any of
26 the homestead exemptions under Sections 15-170 through

1 15-175 of this Code, then in force, and further
2 provided that the property's assessment was not based
3 on a reduced assessed value resulting from a temporary
4 irregularity in the property.

5 (3.5) "Base year" means (i) tax year 2002 in Cook
6 County or (ii) tax year 2005 or 2006 ~~2002 or 2003~~ in all
7 other counties in accordance with the designation made by
8 the county as provided in subsection (k).

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

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

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

14 (A) Residential property that as of January 1 of
15 the tax year is occupied by its owner or owners as his,
16 her, or their principal dwelling place, or that is a
17 leasehold interest on which a single family residence
18 is situated, that is occupied as a residence by a
19 person who has a legal or equitable interest therein
20 evidenced by a written instrument, as an owner or as a
21 lessee, and on which the person is liable for the
22 payment of property taxes. Residential units in an
23 apartment building owned and operated as a
24 cooperative, or as a life care facility, which are
25 occupied by persons who hold a legal or equitable
26 interest in the cooperative apartment building or life

1 care facility as owners or lessees, and who are liable
2 by contract for the payment of property taxes, shall be
3 included within this definition of homestead property.

4 (B) A homestead includes the dwelling place,
5 appurtenant structures, and so much of the surrounding
6 land constituting the parcel on which the dwelling
7 place is situated as is used for residential purposes.
8 If the assessor has established a specific legal
9 description for a portion of property constituting the
10 homestead, then the homestead shall be limited to the
11 property within that description.

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

14 (c) If the property did not have a residential equalized
15 assessed value for the base year as provided in subdivision
16 (b) (3) (A) of this Section, then the assessor shall first
17 determine an initial value for the property by comparison with
18 assessed values for the base year of other properties having
19 physical and economic characteristics similar to those of the
20 subject property, so that the initial value is uniform in
21 relation to assessed values of those other properties for the
22 base year. The product of the initial value multiplied by the
23 equalized factor for the base year for homestead properties in
24 that county, less: (i) \$4,500 in Cook County or \$3,500 in all
25 other counties in tax ~~years~~ year 2003; ~~or~~ (ii) \$5,000 in all
26 counties in tax year 2004 and 2005; and (iii) the lesser of

1 \$5,000 or an amount equal to the increase in the equalized
2 assessed value for the current tax year above the equalized
3 value for 1977 in tax year 2006 and thereafter, is the base
4 homestead value.

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

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

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

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

26 (3) If the property is sold or ownership is otherwise

1 transferred, the base homestead value of the property shall
2 be adjusted as provided in subdivision (b) (3) (B). This item
3 (3) does not apply to sales or transfers between spouses or
4 between a parent and a child.

5 (4) the recalculation required in Cook County under
6 subdivision (b) (3) (A-5).

7 (e) The amount of the exemption under this Section is the
8 equalized assessed value of the homestead property for the
9 current tax year, minus the adjusted homestead value, with the
10 following exceptions:

11 (1) In Cook County, the ~~The~~ exemption under this
12 Section shall not exceed \$20,000 for any taxable year
13 through tax year:

14 (i) 2005, if the general assessment year for the
15 property is 2003;

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

18 (iii) 2007, if the general assessment year for the
19 property is 2005.

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

22 (1.5) For all tax years in all other counties other
23 than Cook County, the exemption under this Section shall
24 not exceed \$60,000 for any taxable year.

25 (2) In the case of homestead property that also
26 qualifies for the exemption under Section 15-172, the

1 property is entitled to the exemption under this Section,
2 limited to the amount of (i) \$4,500 in Cook County or
3 \$3,500 in all other counties in tax year 2003 or (ii)
4 \$5,000 in all counties in tax year 2004 and thereafter.

5 (f) In the case of an apartment building owned and operated
6 as a cooperative, or as a life care facility, that contains
7 residential units that qualify as homestead property under this
8 Section, the maximum cumulative exemption amount attributed to
9 the entire building or facility shall not exceed the sum of the
10 exemptions calculated for each qualified residential unit. The
11 cooperative association, management firm, or other person or
12 entity that manages or controls the cooperative apartment
13 building or life care facility shall credit the exemption
14 attributable to each residential unit only to the apportioned
15 tax liability of the owner or other person responsible for
16 payment of taxes as to that unit. Any person who willfully
17 refuses to so credit the exemption is guilty of a Class B
18 misdemeanor.

19 (g) When married persons maintain separate residences, the
20 exemption provided under this Section shall be claimed by only
21 one such person and for only one residence.

22 (h) In the event of a sale or other transfer in ownership
23 of the homestead property, the exemption under this Section
24 shall remain in effect for the remainder of the tax year in
25 which the sale or transfer occurs, but (other than for sales or
26 transfers between spouses or between a parent and a child)

1 shall be calculated using the new base homestead value as
2 provided in subdivision (b) (3) (B). The assessor may require the
3 new owner of the property to apply for the exemption in the
4 following year.

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

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

16 (1) If the general assessment year for the property is
17 2003, this Section applies for assessment years 2003, 2004,
18 ~~and~~ 2005, 2006, 2007, and 2008. Thereafter, the provisions
19 of Section 15-175 apply.

20 (2) If the general assessment year for the property is
21 2004, this Section applies for assessment years 2004, 2005,
22 ~~and~~ 2006, 2007, 2008, and 2009. Thereafter, the provisions
23 of Section 15-175 apply.

24 (3) If the general assessment year for the property is
25 2005, this Section applies for assessment years 2005, 2006,
26 ~~and~~ 2007, 2008, 2009, and 2010. Thereafter, the provisions

1 of Section 15-175 apply.

2 In counties with less than 3,000,000 inhabitants, this
3 Section applies for assessment years (i) 2006, 2007, and 2008,
4 and 2009 if tax year 2005 ~~2003, 2004, and 2005~~ if 2002 is the
5 designated base year or (ii) 2007, 2008, 2009, and 2010 if tax
6 year 2006 ~~2004, 2005, and 2006~~ if 2003 is the designated base
7 year. Thereafter, the provisions of Section 15-175 apply.

8 (k) To be subject to the provisions of this Section in lieu
9 of Section 15-175, a county must adopt an ordinance to subject
10 itself to the provisions of this Section within 6 months after
11 the effective date of this amendatory Act of the 95th General
12 Assembly ~~93rd General Assembly~~. In a county other than Cook
13 County, the ordinance must designate either tax year 2005 ~~2002~~
14 or tax year 2006 ~~2003~~ as the base year.

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

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

19 Section 90. The State Mandates Act is amended by adding
20 Section 8.31 as follows:

21 (30 ILCS 805/8.31 new)

22 Sec. 8.31. Exempt mandate. Notwithstanding Sections 6 and 8
23 of this Act, no reimbursement by the State is required for the
24 implementation of any mandate created by this amendatory Act of

1 the 95th General Assembly.

2 Section 99. Effective date. This Act takes effect upon
3 becoming law.".