

**SB0063**



**95TH GENERAL ASSEMBLY**

**State of Illinois**

**2007 and 2008**

**SB0063**

Introduced 1/31/2007, by Sen. Dale A. Righter

**SYNOPSIS AS INTRODUCED:**

35 ILCS 200/15-165  
35 ILCS 200/15-166 new

Amends the Property Tax Code. Ends the current exemption for disabled veterans with the 2007 tax year. Provides that, beginning with the 2008 tax year, the total value of property that is owned and used as a homestead by (i) a disabled veteran (or his or her spouse), (ii) a veteran confined to a wheelchair (or his or her spouse), or (iii) the surviving spouse of a veteran who died from service-connected causes while on active duty is exempt from taxation. Sets forth requirements for the exemptions. Provides that a surviving spouse may transfer the exemption to homestead property acquired after the veteran's death. Requires an annual application for the exemptions. Effective immediately.

LRB095 03956 BDD 23989 b

FISCAL 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 15-165 and by adding Section 15-166 as follows:

6 (35 ILCS 200/15-165)

7 Sec. 15-165. Disabled veterans. This Section applies  
8 through the 2007 tax year.

9 Property up to an assessed value of \$70,000, owned and used  
10 exclusively by a disabled veteran, or the spouse or unmarried  
11 surviving spouse of the veteran, as a home, is exempt. As used  
12 in this Section, a disabled veteran means a person who has  
13 served in the Armed Forces of the United States and whose  
14 disability is of such a nature that the Federal Government has  
15 authorized payment for purchase or construction of Specially  
16 Adapted Housing as set forth in the United States Code, Title  
17 38, Chapter 21, Section 2101.

18 The exemption applies to housing where Federal funds have  
19 been used to purchase or construct special adaptations to suit  
20 the veteran's disability.

21 The exemption also applies to housing that is specially  
22 adapted to suit the veteran's disability, and purchased  
23 entirely or in part by the proceeds of a sale, casualty loss

1 reimbursement, or other transfer of a home for which the  
2 Federal Government had previously authorized payment for  
3 purchase or construction as Specially Adapted Housing.

4 However, the entire proceeds of the sale, casualty loss  
5 reimbursement, or other transfer of that housing shall be  
6 applied to the acquisition of subsequent specially adapted  
7 housing to the extent that the proceeds equal the purchase  
8 price of the subsequently acquired housing.

9 For purposes of this Section, "unmarried surviving spouse"  
10 means the surviving spouse of the veteran at any time after the  
11 death of the veteran during which such surviving spouse is not  
12 married.

13 This exemption must be reestablished on an annual basis by  
14 certification from the Illinois Department of Veterans'  
15 Affairs to the Department, which shall forward a copy of the  
16 certification to local assessing officials.

17 (Source: P.A. 94-310, eff. 7-25-05.)

18 (35 ILCS 200/15-166 new)

19 Sec. 15-166. Disabled veterans; veterans confined to  
20 wheelchairs; surviving spouses.

21 (a) This Section applies to tax years 2008 and thereafter.

22 (b) Any real estate that is owned and used as a homestead  
23 by a veteran who was honorably discharged with a  
24 service-connected total and permanent disability and for whom a  
25 letter from the United States Government or United States

1 Department of Veterans Affairs or its predecessor has been  
2 issued certifying that the veteran is a totally and permanently  
3 disabled person is exempt from taxation, if the veteran is a  
4 permanent resident of this State on January 1 of the tax year  
5 for which exemption is being claimed or was a permanent  
6 resident of this State on January 1 of the year the veteran  
7 died.

8 The production by a veteran or the spouse or surviving  
9 spouse of a letter of total and permanent disability from the  
10 United States Government or United States Department of  
11 Veterans Affairs or its predecessor before the chief county  
12 assessment officer of the county in which property of the  
13 veteran lies is prima facie evidence of the fact that the  
14 veteran or the surviving spouse is entitled to the exemption.

15 If the totally and permanently disabled veteran  
16 predeceases his or her spouse and if, upon the death of the  
17 veteran, the spouse holds the legal or beneficial title to the  
18 homestead and permanently resides thereon, then the exemption  
19 from taxation carries over to the benefit of the veteran's  
20 spouse until such time as he or she remarries or sells or  
21 otherwise disposes of the property. If the spouse sells the  
22 property, then an exemption not to exceed the amount granted  
23 from the most recent ad valorem tax roll may be transferred to  
24 his or her new residence, as long as it is used as his or her  
25 primary residence and he or she does not remarry.

26 (c) Any real estate is exempt from taxation that is used

1 and owned as a homestead by a veteran who has been honorably  
2 discharged with a service-connected total disability and who  
3 has a certificate from the United States Government or United  
4 States Department of Veterans Affairs, or its predecessor or  
5 successors, certifying that the veteran is (i) receiving or has  
6 received special pecuniary assistance due to disability  
7 requiring specially adapted housing and (ii) required to use a  
8 wheelchair for his or her transportation.

9 The production by a veteran of a certificate of disability  
10 from the United States Government or the United States  
11 Department of Veterans Affairs, or its predecessor or  
12 successors, before the chief county assessment officer of the  
13 county in which the veteran's property lies is prima facie  
14 evidence of the fact that he or she is entitled to the  
15 exemption under this Section.

16 In the event the homestead of the wheelchair veteran was or  
17 is held with the veteran's spouse as an estate by the entirety,  
18 and in the event the veteran did or shall predecease his or her  
19 spouse, the exemption from taxation shall carry over to the  
20 benefit of the veteran's spouse, provided the spouse continues  
21 to reside on such real estate and uses it as his or her  
22 domicile or until such time as he or she remarries or sells or  
23 otherwise disposes of the property.

24 (d) Any real estate that is owned and used as a homestead  
25 by the surviving spouse of a veteran who died from  
26 service-connected causes while on active duty as a member of

1 the United States Armed Forces and for whom a letter from the  
2 United States Government or United States Department of  
3 Veterans Affairs or its predecessor has been issued certifying  
4 that the veteran who died from service-connected causes while  
5 on active duty is exempt from taxation if the veteran was a  
6 permanent resident of this state on January 1 of the year in  
7 which the veteran died.

8 The production by the surviving spouse of a letter that was  
9 issued as required under this subsection and that attests the  
10 veteran's death while on active duty is prima facie evidence of  
11 the fact that the surviving spouse is entitled to an exemption  
12 under this subsection.

13 The tax exemption that applies under this subsection to the  
14 surviving spouse carries over to the benefit of the veteran's  
15 surviving spouse as long as the spouse holds the legal or  
16 beneficial title to the homestead, permanently resides  
17 thereon, and does not remarry. If the surviving spouse sells  
18 the property, an exemption not to exceed the amount granted  
19 from the most recent ad valorem tax roll may be transferred to  
20 his or her new residence as long as it is used as his or her  
21 primary residence and he or she does not remarry.

22 (e) Every person who, on January 1, has the legal title to  
23 real or personal property that is entitled to an exemption  
24 under this Section must, on or before March 1 of each year,  
25 file an application for the exemption with the chief county  
26 assessment officer, listing and describing the property for

1 which exemption is claimed and certifying its ownership and  
2 use. The Department of Revenue shall prescribe the forms upon  
3 which the application is made. The failure to make an  
4 application as required under this subsection constitutes a  
5 waiver of the exemption privilege for that year.

6 Once an original application for tax exemption has been  
7 granted, in each succeeding year on or before February 1, the  
8 chief county assessment officer must mail a renewal application  
9 to the applicant, and the officer shall accept from each that  
10 applicant a renewal application on a form to be prescribed by  
11 the Department of Revenue. This renewal application shall be  
12 accepted as evidence of exemption by the chief county  
13 assessment officer unless he or she denies the application.

14 (f) For the purposes of this Section:

15 "Real estate used and owned as a homestead" means real  
16 property but less any portion of that property that is used for  
17 commercial purposes, with the title of that property being  
18 recorded in the official records of the county in which the  
19 property is located. Property rented for more than 6 months is  
20 presumed to be used for commercial purposes.

21 "Totally and permanently disabled person" means a person  
22 who is currently certified by 2 licensed physicians of this  
23 State who are professionally unrelated, by the United States  
24 Department of Veterans Affairs or its predecessor, or by the  
25 Social Security Administration, to be totally and permanently  
26 disabled.

1       "Veteran" means an Illinois resident who has served as a  
2       member of the United States Armed Forces on active duty or  
3       State active duty, a member of the Illinois National Guard, or  
4       a member of the United States Reserve Forces.

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