

SB0090



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

SB0090

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

SYNOPSIS AS INTRODUCED:

35 ILCS 200/14-20
35 ILCS 200/15-172
30 ILCS 805/8.31 new

Amends the Property Tax Code. Includes disabled persons within the provisions granting 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. Amends the States Mandates Act to require implementation without reimbursement. Effective immediately.

LRB095 03922 BDD 23955 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT regarding disabled persons.

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 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 200/15-172)

10 Sec. 15-172. Senior Citizens and Disabled Persons
11 Assessment Freeze Homestead Exemption.

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

14 (b) As used in this Section:

15 "Applicant" means an individual who has filed an
16 application under this Section.

17 "Base amount" means the base year equalized assessed value
18 of the residence plus the first year's equalized assessed value
19 of any added improvements which increased the assessed value of
20 the residence after the base year.

21 "Base year" means the taxable year prior to the taxable
22 year for which the applicant first qualifies and applies for
23 the exemption provided that in the prior taxable year the
24 property was improved with a permanent structure that was
25 occupied as a residence by the applicant who was liable for

1 paying real property taxes on the property and who was either
2 (i) an owner of record of the property or had legal or
3 equitable interest in the property as evidenced by a written
4 instrument or (ii) had a legal or equitable interest as a
5 lessee in the parcel of property that was single family
6 residence. If in any subsequent taxable year for which the
7 applicant applies and qualifies for the exemption the equalized
8 assessed value of the residence is less than the equalized
9 assessed value in the existing base year (provided that such
10 equalized assessed value is not based on an assessed value that
11 results from a temporary irregularity in the property that
12 reduces the assessed value for one or more taxable years), then
13 that subsequent taxable year shall become the base year until a
14 new base year is established under the terms of this paragraph.
15 For taxable year 1999 only, the Chief County Assessment Officer
16 shall review (i) all taxable years for which the applicant
17 applied and qualified for the exemption and (ii) the existing
18 base year. The assessment officer shall select as the new base
19 year the year with the lowest equalized assessed value. An
20 equalized assessed value that is based on an assessed value
21 that results from a temporary irregularity in the property that
22 reduces the assessed value for one or more taxable years shall
23 not be considered the lowest equalized assessed value. The
24 selected year shall be the base year for taxable year 1999 and
25 thereafter until a new base year is established under the terms
26 of this paragraph.

1 "Chief County Assessment Officer" means the County
2 Assessor or Supervisor of Assessments of the county in which
3 the property is located.

4 "Disabled person" means a person unable to engage in any
5 substantial gainful activity by reason of a medically
6 determinable physical or mental impairment that (i) can be
7 expected to result in death or (ii) has lasted or can be
8 expected to last for a continuous period of not less than 12
9 months. Disabled persons applying for the exemption under this
10 Section must submit proof of the disability in the manner
11 prescribed by the chief county assessment officer. Proof that
12 an applicant is eligible to receive disability benefits under
13 the federal Social Security Act constitutes proof of disability
14 for purposes of this Section. Issuance of an Illinois Disabled
15 Person Identification Card to the applicant stating that the
16 possessor is under a Class 2 disability, as defined in Section
17 4A of the Illinois Identification Card Act, constitutes proof
18 that the person is a disabled person for purposes of this
19 Section.

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

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

25 "Household income" means the combined income of the members
26 of a household for the calendar year preceding the taxable

1 year.

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

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

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

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

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

1 (c) Beginning in (1) taxable year 1994, for a senior
2 citizens and (2) taxable year 2005, for disabled persons, an
3 assessment freeze homestead exemption is granted for real
4 property that is improved with a permanent structure that is
5 occupied as a residence by an applicant who (i) is 65 years of
6 age or older, or a disabled person, during the taxable year,
7 (ii) has a household income of \$35,000 or less prior to taxable
8 year 1999, \$40,000 or less in taxable years 1999 through 2003,
9 \$45,000 or less in taxable year 2004 and 2005, and \$50,000 or
10 less in taxable year 2006 and thereafter, (iii) is liable for
11 paying real property taxes on the property, and (iv) is an
12 owner of record of the property or has a legal or equitable
13 interest in the property as evidenced by a written instrument.
14 This homestead exemption shall also apply to a leasehold
15 interest in a parcel of property improved with a permanent
16 structure that is a single family residence that is occupied as
17 a residence by a person who (i) is 65 years of age or older, or
18 a disabled person, during the taxable year, (ii) has a
19 household income of \$35,000 or less prior to taxable year 1999,
20 \$40,000 or less in taxable years 1999 through 2003, \$45,000 or
21 less in taxable year 2004 and 2005, and \$50,000 or less in
22 taxable year 2006 and thereafter, (iii) has a legal or
23 equitable ownership interest in the property as lessee, and
24 (iv) is liable for the payment of real property taxes on that
25 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 a disabled person, (ii) with a household
21 income of \$35,000 or less prior to taxable year 1999, \$40,000
22 or less in taxable years 1999 through 2003, \$45,000 or less in
23 taxable year 2004 and 2005, and \$50,000 or less in taxable year
24 2006 and thereafter, (iii) who is liable, by contract with the
25 owner or owners of record, for paying real property taxes on
26 the 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, 2005 for disabled persons,, when an individual dies who
19 would have qualified for an exemption under this Section, and
20 the surviving spouse does not independently qualify for this
21 exemption because of age or nondisability, the exemption under
22 this Section shall be granted to the surviving spouse for the
23 taxable year preceding and the taxable year of the death,
24 provided that, except for age or nondisability, the surviving
25 spouse meets all other qualifications for the granting of this
26 exemption for those years.

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

4 For taxable year 1994 only, in counties having less than
5 3,000,000 inhabitants, to receive the exemption, a person shall
6 submit an application by February 15, 1995 to the Chief County
7 Assessment Officer of the county in which the property is
8 located. In counties having 3,000,000 or more inhabitants, for
9 taxable year 1994 and all subsequent taxable years, to receive
10 the exemption, a person may submit an application to the Chief
11 County Assessment Officer of the county in which the property
12 is located during such period as may be specified by the Chief
13 County Assessment Officer. The Chief County Assessment Officer
14 in counties of 3,000,000 or more inhabitants shall annually
15 give notice of the application period by mail or by
16 publication. In counties having less than 3,000,000
17 inhabitants, beginning with taxable year 1995 and thereafter,
18 to receive the exemption, a person shall submit an application
19 by July 1 of each taxable year to the Chief County Assessment
20 Officer of the county in which the property is located. A
21 county may, by ordinance, establish a date for submission of
22 applications that is different than July 1. The applicant shall
23 submit with the application an affidavit of the applicant's
24 total household income, age, marital status (and if married the
25 name and address of the applicant's spouse, if known),
26 disability (if applying for the exemption as a disabled

1 person), and principal dwelling place of members of the
2 household on January 1 of the taxable year. The Department
3 shall establish, by rule, a method for verifying the accuracy
4 of affidavits filed by applicants under this Section. The
5 applications shall be clearly marked as applications for the
6 Senior Citizens and Disabled Persons Assessment Freeze
7 Homestead Exemption.

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

26 Beginning January 1, 1998, notwithstanding any other

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

15 In counties having less than 3,000,000 inhabitants, if an
16 applicant was denied an exemption in taxable year 1994 and the
17 denial occurred due to an error on the part of an assessment
18 official, or his or her agent or employee, then beginning in
19 taxable year 1997 the applicant's base year, for purposes of
20 determining the amount of the exemption, shall be 1993 rather
21 than 1994. In addition, in taxable year 1997, the applicant's
22 exemption shall also include an amount equal to (i) the amount
23 of any exemption denied to the applicant in taxable year 1995
24 as a result of using 1994, rather than 1993, as the base year,
25 (ii) the amount of any exemption denied to the applicant in
26 taxable year 1996 as a result of using 1994, rather than 1993,

1 as the base year, and (iii) the amount of the exemption
2 erroneously denied for taxable year 1994.

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

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

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

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

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

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

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

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

23 Section 90. The State Mandates Act is amended by adding
24 Section 8.31 as follows:

1 (30 ILCS 805/8.31 new)

2 Sec. 8.31. 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.