

SB0185



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

SB0185

Introduced 1/31/2007, by Sen. Chris Lauzen

SYNOPSIS AS INTRODUCED:

35 ILCS 200/31-5
35 ILCS 200/31-60

Amends the Real Estate Transfer Tax Law in the Property Tax Code. Provides that the definition of "value" includes the amount of any special service assessment on the real property. Authorizes chief county assessment officials and township or multi-township assessors to perform audits of transfer declarations. Effective immediately.

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FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT 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 Sections 31-5 and 31-60 as follows:

6 (35 ILCS 200/31-5)

7 Sec. 31-5. Definitions.

8 "Recordation" includes the issuance of certificates of
9 title by Registrars of Title under the Registered Titles
10 (Torrens) Act pursuant to the filing of deeds or trust
11 documents for that purpose, as well as the recording of deeds
12 or trust documents by recorders.

13 "Department" means the Department of Revenue.

14 "Person" means any natural individual, firm, partnership,
15 association, joint stock company, joint adventure, public or
16 private corporation, limited liability company, or a receiver,
17 executor, trustee, guardian or other representative appointed
18 by order of any court.

19 "Value" means the amount of the full actual consideration
20 for the real property or the beneficial interest in real
21 property located in Illinois, including the amount of any lien
22 on the real property assumed by the transferee. "Value" also
23 includes the amount of any special service assessment on the

1 real property.

2 "Trust document" means a document required to be recorded
3 under the Land Trust Recordation and Transfer Tax Act and,
4 beginning June 1, 2005, also means any document relating to the
5 transfer of a taxable beneficial interest under this Article.

6 "Beneficial interest" includes, but is not limited to:

7 (1) the beneficial interest in an Illinois land trust;

8 (2) the lessee interest in a ground lease (including
9 any interest of the lessee in the related improvements)
10 that provides for a term of 30 or more years when all
11 options to renew or extend are included, whether or not any
12 portion of the term has expired; or

13 (3) the indirect interest in real property as reflected
14 by a controlling interest in a real estate entity.

15 "Controlling interest" means more than 50% of the fair
16 market value of all ownership interests or beneficial interests
17 in a real estate entity.

18 "Real estate entity" means any person including, but not
19 limited to, any partnership, corporation, limited liability
20 company, trust, other entity, or multi-tiered entity, that
21 exists or acts substantially for the purpose of holding
22 directly or indirectly title to or beneficial interest in real
23 property. There is a rebuttable presumption that an entity is a
24 real estate entity if it owns, directly or indirectly, real
25 property having a fair market value greater than 75% of the
26 total fair market value of all of the entity's assets,

1 determined without deduction for any mortgage, lien, or
2 encumbrance.

3 (Source: P.A. 92-651, eff. 7-11-02; 93-657, eff. 6-1-04;
4 93-1099, eff. 6-1-05.)

5 (35 ILCS 200/31-60)

6 Sec. 31-60. Check for violations.

7 (a) The Department shall conduct spot checks or
8 investigations of declarations required to be filed by this
9 Article and may forward information of violations to the
10 State's Attorney of the county where the violations occur for
11 prosecution and collection of taxes.

12 (b) The chief county assessment officer and the township
13 assessor or multi-township assessor may conduct an audit of any
14 declaration required to be filed by this Article to determine
15 whether the declaration conforms to the requirements of this
16 Article, including the requirement that the value of the
17 property include the amount of any special service assessment
18 on the property.

19 (Source: P.A. 91-555, eff. 1-1-00.)

20 Section 99. Effective date. This Act takes effect upon
21 becoming law.