



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB0817

Introduced 2/9/2009, by Rep. Roger L. Eddy

SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-185
35 ILCS 200/18-205
35 ILCS 200/18-211 new

Amends the Property Tax Extension Limitation Law in the Property Tax Code. Provides that "extension limitation" means (a) the lesser of 5% or the percentage increase in the Employment Cost Index or, upon referendum approval, the Consumer Price Index during the 12-month calendar year preceding the levy year or (b) the rate increase approved by the voters. Defines "Employment Cost Index" as the Employment Cost Index for total compensation for civilian and state and local government workers published by the United States Department of Labor. Sets forth referendum procedures to allow for the calculation of the extension limitation based upon the Consumer Price Index. Effective immediately.

LRB096 07519 RCE 17614 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

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 Sections 18-185 and 18-205 and by adding Section 18-211 as
6 follows:

7 (35 ILCS 200/18-185)

8 Sec. 18-185. Short title; definitions. This Division 5 may
9 be cited as the Property Tax Extension Limitation Law. As used
10 in this Division 5:

11 "Consumer Price Index" means the Consumer Price Index for
12 All Urban Consumers for all items published by the United
13 States Department of Labor.

14 "Employment Cost Index" means the average between (i) the
15 Employment Cost Index for total compensation for civilian
16 workers and (ii) the Employment Cost Index for total
17 compensation for state and local government workers, both of
18 which are published by the United States Department of Labor.

19 "Extension limitation" means (a) the lesser of 5% or the
20 percentage increase in the Employment Cost Index or, upon
21 approval of a referendum under Section 18-211, the percentage
22 increase in the Consumer Price Index during the 12-month
23 calendar year preceding the levy year or (b) the rate of

1 increase approved by voters under Section 18-205.

2 "Affected county" means a county of 3,000,000 or more
3 inhabitants or a county contiguous to a county of 3,000,000 or
4 more inhabitants.

5 "Taxing district" has the same meaning provided in Section
6 1-150, except as otherwise provided in this Section. For the
7 1991 through 1994 levy years only, "taxing district" includes
8 only each non-home rule taxing district having the majority of
9 its 1990 equalized assessed value within any county or counties
10 contiguous to a county with 3,000,000 or more inhabitants.
11 Beginning with the 1995 levy year, "taxing district" includes
12 only each non-home rule taxing district subject to this Law
13 before the 1995 levy year and each non-home rule taxing
14 district not subject to this Law before the 1995 levy year
15 having the majority of its 1994 equalized assessed value in an
16 affected county or counties. Beginning with the levy year in
17 which this Law becomes applicable to a taxing district as
18 provided in Section 18-213, "taxing district" also includes
19 those taxing districts made subject to this Law as provided in
20 Section 18-213.

21 "Aggregate extension" for taxing districts to which this
22 Law applied before the 1995 levy year means the annual
23 corporate extension for the taxing district and those special
24 purpose extensions that are made annually for the taxing
25 district, excluding special purpose extensions: (a) made for
26 the taxing district to pay interest or principal on general

1 obligation bonds that were approved by referendum; (b) made for
2 any taxing district to pay interest or principal on general
3 obligation bonds issued before October 1, 1991; (c) made for
4 any taxing district to pay interest or principal on bonds
5 issued to refund or continue to refund those bonds issued
6 before October 1, 1991; (d) made for any taxing district to pay
7 interest or principal on bonds issued to refund or continue to
8 refund bonds issued after October 1, 1991 that were approved by
9 referendum; (e) made for any taxing district to pay interest or
10 principal on revenue bonds issued before October 1, 1991 for
11 payment of which a property tax levy or the full faith and
12 credit of the unit of local government is pledged; however, a
13 tax for the payment of interest or principal on those bonds
14 shall be made only after the governing body of the unit of
15 local government finds that all other sources for payment are
16 insufficient to make those payments; (f) made for payments
17 under a building commission lease when the lease payments are
18 for the retirement of bonds issued by the commission before
19 October 1, 1991, to pay for the building project; (g) made for
20 payments due under installment contracts entered into before
21 October 1, 1991; (h) made for payments of principal and
22 interest on bonds issued under the Metropolitan Water
23 Reclamation District Act to finance construction projects
24 initiated before October 1, 1991; (i) made for payments of
25 principal and interest on limited bonds, as defined in Section
26 3 of the Local Government Debt Reform Act, in an amount not to

1 exceed the debt service extension base less the amount in items
2 (b), (c), (e), and (h) of this definition for non-referendum
3 obligations, except obligations initially issued pursuant to
4 referendum; (j) made for payments of principal and interest on
5 bonds issued under Section 15 of the Local Government Debt
6 Reform Act; (k) made by a school district that participates in
7 the Special Education District of Lake County, created by
8 special education joint agreement under Section 10-22.31 of the
9 School Code, for payment of the school district's share of the
10 amounts required to be contributed by the Special Education
11 District of Lake County to the Illinois Municipal Retirement
12 Fund under Article 7 of the Illinois Pension Code; the amount
13 of any extension under this item (k) shall be certified by the
14 school district to the county clerk; (l) made to fund expenses
15 of providing joint recreational programs for the handicapped
16 under Section 5-8 of the Park District Code or Section 11-95-14
17 of the Illinois Municipal Code; (m) made for temporary
18 relocation loan repayment purposes pursuant to Sections 2-3.77
19 and 17-2.2d of the School Code; (n) made for payment of
20 principal and interest on any bonds issued under the authority
21 of Section 17-2.2d of the School Code; and (o) made for
22 contributions to a firefighter's pension fund created under
23 Article 4 of the Illinois Pension Code, to the extent of the
24 amount certified under item (5) of Section 4-134 of the
25 Illinois Pension Code.

26 "Aggregate extension" for the taxing districts to which

1 this Law did not apply before the 1995 levy year (except taxing
2 districts subject to this Law in accordance with Section
3 18-213) means the annual corporate extension for the taxing
4 district and those special purpose extensions that are made
5 annually for the taxing district, excluding special purpose
6 extensions: (a) made for the taxing district to pay interest or
7 principal on general obligation bonds that were approved by
8 referendum; (b) made for any taxing district to pay interest or
9 principal on general obligation bonds issued before March 1,
10 1995; (c) made for any taxing district to pay interest or
11 principal on bonds issued to refund or continue to refund those
12 bonds issued before March 1, 1995; (d) made for any taxing
13 district to pay interest or principal on bonds issued to refund
14 or continue to refund bonds issued after March 1, 1995 that
15 were approved by referendum; (e) made for any taxing district
16 to pay interest or principal on revenue bonds issued before
17 March 1, 1995 for payment of which a property tax levy or the
18 full faith and credit of the unit of local government is
19 pledged; however, a tax for the payment of interest or
20 principal on those bonds shall be made only after the governing
21 body of the unit of local government finds that all other
22 sources for payment are insufficient to make those payments;
23 (f) made for payments under a building commission lease when
24 the lease payments are for the retirement of bonds issued by
25 the commission before March 1, 1995 to pay for the building
26 project; (g) made for payments due under installment contracts

1 entered into before March 1, 1995; (h) made for payments of
2 principal and interest on bonds issued under the Metropolitan
3 Water Reclamation District Act to finance construction
4 projects initiated before October 1, 1991; (h-4) made for
5 stormwater management purposes by the Metropolitan Water
6 Reclamation District of Greater Chicago under Section 12 of the
7 Metropolitan Water Reclamation District Act; (i) made for
8 payments of principal and interest on limited bonds, as defined
9 in Section 3 of the Local Government Debt Reform Act, in an
10 amount not to exceed the debt service extension base less the
11 amount in items (b), (c), and (e) of this definition for
12 non-referendum obligations, except obligations initially
13 issued pursuant to referendum and bonds described in subsection
14 (h) of this definition; (j) made for payments of principal and
15 interest on bonds issued under Section 15 of the Local
16 Government Debt Reform Act; (k) made for payments of principal
17 and interest on bonds authorized by Public Act 88-503 and
18 issued under Section 20a of the Chicago Park District Act for
19 aquarium or museum projects; (l) made for payments of principal
20 and interest on bonds authorized by Public Act 87-1191 or
21 93-601 and (i) issued pursuant to Section 21.2 of the Cook
22 County Forest Preserve District Act, (ii) issued under Section
23 42 of the Cook County Forest Preserve District Act for
24 zoological park projects, or (iii) issued under Section 44.1 of
25 the Cook County Forest Preserve District Act for botanical
26 gardens projects; (m) made pursuant to Section 34-53.5 of the

1 School Code, whether levied annually or not; (n) made to fund
2 expenses of providing joint recreational programs for the
3 handicapped under Section 5-8 of the Park District Code or
4 Section 11-95-14 of the Illinois Municipal Code; (o) made by
5 the Chicago Park District for recreational programs for the
6 handicapped under subsection (c) of Section 7.06 of the Chicago
7 Park District Act; (p) made for contributions to a
8 firefighter's pension fund created under Article 4 of the
9 Illinois Pension Code, to the extent of the amount certified
10 under item (5) of Section 4-134 of the Illinois Pension Code;
11 and (q) made by Ford Heights School District 169 under Section
12 17-9.02 of the School Code.

13 "Aggregate extension" for all taxing districts to which
14 this Law applies in accordance with Section 18-213, except for
15 those taxing districts subject to paragraph (2) of subsection
16 (e) of Section 18-213, means the annual corporate extension for
17 the taxing district and those special purpose extensions that
18 are made annually for the taxing district, excluding special
19 purpose extensions: (a) made for the taxing district to pay
20 interest or principal on general obligation bonds that were
21 approved by referendum; (b) made for any taxing district to pay
22 interest or principal on general obligation bonds issued before
23 the date on which the referendum making this Law applicable to
24 the taxing district is held; (c) made for any taxing district
25 to pay interest or principal on bonds issued to refund or
26 continue to refund those bonds issued before the date on which

1 the referendum making this Law applicable to the taxing
2 district is held; (d) made for any taxing district to pay
3 interest or principal on bonds issued to refund or continue to
4 refund bonds issued after the date on which the referendum
5 making this Law applicable to the taxing district is held if
6 the bonds were approved by referendum after the date on which
7 the referendum making this Law applicable to the taxing
8 district is held; (e) made for any taxing district to pay
9 interest or principal on revenue bonds issued before the date
10 on which the referendum making this Law applicable to the
11 taxing district is held for payment of which a property tax
12 levy or the full faith and credit of the unit of local
13 government is pledged; however, a tax for the payment of
14 interest or principal on those bonds shall be made only after
15 the governing body of the unit of local government finds that
16 all other sources for payment are insufficient to make those
17 payments; (f) made for payments under a building commission
18 lease when the lease payments are for the retirement of bonds
19 issued by the commission before the date on which the
20 referendum making this Law applicable to the taxing district is
21 held to pay for the building project; (g) made for payments due
22 under installment contracts entered into before the date on
23 which the referendum making this Law applicable to the taxing
24 district is held; (h) made for payments of principal and
25 interest on limited bonds, as defined in Section 3 of the Local
26 Government Debt Reform Act, in an amount not to exceed the debt

1 service extension base less the amount in items (b), (c), and
2 (e) of this definition for non-referendum obligations, except
3 obligations initially issued pursuant to referendum; (i) made
4 for payments of principal and interest on bonds issued under
5 Section 15 of the Local Government Debt Reform Act; (j) made
6 for a qualified airport authority to pay interest or principal
7 on general obligation bonds issued for the purpose of paying
8 obligations due under, or financing airport facilities
9 required to be acquired, constructed, installed or equipped
10 pursuant to, contracts entered into before March 1, 1996 (but
11 not including any amendments to such a contract taking effect
12 on or after that date); (k) made to fund expenses of providing
13 joint recreational programs for the handicapped under Section
14 5-8 of the Park District Code or Section 11-95-14 of the
15 Illinois Municipal Code; and (l) made for contributions to a
16 firefighter's pension fund created under Article 4 of the
17 Illinois Pension Code, to the extent of the amount certified
18 under item (5) of Section 4-134 of the Illinois Pension Code.

19 "Aggregate extension" for all taxing districts to which
20 this Law applies in accordance with paragraph (2) of subsection
21 (e) of Section 18-213 means the annual corporate extension for
22 the taxing district and those special purpose extensions that
23 are made annually for the taxing district, excluding special
24 purpose extensions: (a) made for the taxing district to pay
25 interest or principal on general obligation bonds that were
26 approved by referendum; (b) made for any taxing district to pay

1 interest or principal on general obligation bonds issued before
2 the effective date of this amendatory Act of 1997; (c) made for
3 any taxing district to pay interest or principal on bonds
4 issued to refund or continue to refund those bonds issued
5 before the effective date of this amendatory Act of 1997; (d)
6 made for any taxing district to pay interest or principal on
7 bonds issued to refund or continue to refund bonds issued after
8 the effective date of this amendatory Act of 1997 if the bonds
9 were approved by referendum after the effective date of this
10 amendatory Act of 1997; (e) made for any taxing district to pay
11 interest or principal on revenue bonds issued before the
12 effective date of this amendatory Act of 1997 for payment of
13 which a property tax levy or the full faith and credit of the
14 unit of local government is pledged; however, a tax for the
15 payment of interest or principal on those bonds shall be made
16 only after the governing body of the unit of local government
17 finds that all other sources for payment are insufficient to
18 make those payments; (f) made for payments under a building
19 commission lease when the lease payments are for the retirement
20 of bonds issued by the commission before the effective date of
21 this amendatory Act of 1997 to pay for the building project;
22 (g) made for payments due under installment contracts entered
23 into before the effective date of this amendatory Act of 1997;
24 (h) made for payments of principal and interest on limited
25 bonds, as defined in Section 3 of the Local Government Debt
26 Reform Act, in an amount not to exceed the debt service

1 extension base less the amount in items (b), (c), and (e) of
2 this definition for non-referendum obligations, except
3 obligations initially issued pursuant to referendum; (i) made
4 for payments of principal and interest on bonds issued under
5 Section 15 of the Local Government Debt Reform Act; (j) made
6 for a qualified airport authority to pay interest or principal
7 on general obligation bonds issued for the purpose of paying
8 obligations due under, or financing airport facilities
9 required to be acquired, constructed, installed or equipped
10 pursuant to, contracts entered into before March 1, 1996 (but
11 not including any amendments to such a contract taking effect
12 on or after that date); (k) made to fund expenses of providing
13 joint recreational programs for the handicapped under Section
14 5-8 of the Park District Code or Section 11-95-14 of the
15 Illinois Municipal Code; and (l) made for contributions to a
16 firefighter's pension fund created under Article 4 of the
17 Illinois Pension Code, to the extent of the amount certified
18 under item (5) of Section 4-134 of the Illinois Pension Code.

19 "Debt service extension base" means an amount equal to that
20 portion of the extension for a taxing district for the 1994
21 levy year, or for those taxing districts subject to this Law in
22 accordance with Section 18-213, except for those subject to
23 paragraph (2) of subsection (e) of Section 18-213, for the levy
24 year in which the referendum making this Law applicable to the
25 taxing district is held, or for those taxing districts subject
26 to this Law in accordance with paragraph (2) of subsection (e)

1 of Section 18-213 for the 1996 levy year, constituting an
2 extension for payment of principal and interest on bonds issued
3 by the taxing district without referendum, but not including
4 excluded non-referendum bonds. For park districts (i) that were
5 first subject to this Law in 1991 or 1995 and (ii) whose
6 extension for the 1994 levy year for the payment of principal
7 and interest on bonds issued by the park district without
8 referendum (but not including excluded non-referendum bonds)
9 was less than 51% of the amount for the 1991 levy year
10 constituting an extension for payment of principal and interest
11 on bonds issued by the park district without referendum (but
12 not including excluded non-referendum bonds), "debt service
13 extension base" means an amount equal to that portion of the
14 extension for the 1991 levy year constituting an extension for
15 payment of principal and interest on bonds issued by the park
16 district without referendum (but not including excluded
17 non-referendum bonds). The debt service extension base may be
18 established or increased as provided under Section 18-212.
19 "Excluded non-referendum bonds" means (i) bonds authorized by
20 Public Act 88-503 and issued under Section 20a of the Chicago
21 Park District Act for aquarium and museum projects; (ii) bonds
22 issued under Section 15 of the Local Government Debt Reform
23 Act; or (iii) refunding obligations issued to refund or to
24 continue to refund obligations initially issued pursuant to
25 referendum.

26 "Special purpose extensions" include, but are not limited

1 to, extensions for levies made on an annual basis for
2 unemployment and workers' compensation, self-insurance,
3 contributions to pension plans, and extensions made pursuant to
4 Section 6-601 of the Illinois Highway Code for a road
5 district's permanent road fund whether levied annually or not.
6 The extension for a special service area is not included in the
7 aggregate extension.

8 "Aggregate extension base" means the taxing district's
9 last preceding aggregate extension as adjusted under Sections
10 18-135, 18-215, and 18-230. An adjustment under Section 18-135
11 shall be made for the 2007 levy year and all subsequent levy
12 years whenever one or more counties within which a taxing
13 district is located (i) used estimated valuations or rates when
14 extending taxes in the taxing district for the last preceding
15 levy year that resulted in the over or under extension of
16 taxes, or (ii) increased or decreased the tax extension for the
17 last preceding levy year as required by Section 18-135(c).
18 Whenever an adjustment is required under Section 18-135, the
19 aggregate extension base of the taxing district shall be equal
20 to the amount that the aggregate extension of the taxing
21 district would have been for the last preceding levy year if
22 either or both (i) actual, rather than estimated, valuations or
23 rates had been used to calculate the extension of taxes for the
24 last levy year, or (ii) the tax extension for the last
25 preceding levy year had not been adjusted as required by
26 subsection (c) of Section 18-135.

1 "Levy year" has the same meaning as "year" under Section
2 1-155.

3 "New property" means (i) the assessed value, after final
4 board of review or board of appeals action, of new improvements
5 or additions to existing improvements on any parcel of real
6 property that increase the assessed value of that real property
7 during the levy year multiplied by the equalization factor
8 issued by the Department under Section 17-30, (ii) the assessed
9 value, after final board of review or board of appeals action,
10 of real property not exempt from real estate taxation, which
11 real property was exempt from real estate taxation for any
12 portion of the immediately preceding levy year, multiplied by
13 the equalization factor issued by the Department under Section
14 17-30, including the assessed value, upon final stabilization
15 of occupancy after new construction is complete, of any real
16 property located within the boundaries of an otherwise or
17 previously exempt military reservation that is intended for
18 residential use and owned by or leased to a private corporation
19 or other entity, and (iii) in counties that classify in
20 accordance with Section 4 of Article IX of the Illinois
21 Constitution, an incentive property's additional assessed
22 value resulting from a scheduled increase in the level of
23 assessment as applied to the first year final board of review
24 market value. In addition, the county clerk in a county
25 containing a population of 3,000,000 or more shall include in
26 the 1997 recovered tax increment value for any school district,

1 any recovered tax increment value that was applicable to the
2 1995 tax year calculations.

3 "Qualified airport authority" means an airport authority
4 organized under the Airport Authorities Act and located in a
5 county bordering on the State of Wisconsin and having a
6 population in excess of 200,000 and not greater than 500,000.

7 "Recovered tax increment value" means, except as otherwise
8 provided in this paragraph, the amount of the current year's
9 equalized assessed value, in the first year after a
10 municipality terminates the designation of an area as a
11 redevelopment project area previously established under the
12 Tax Increment Allocation Development Act in the Illinois
13 Municipal Code, previously established under the Industrial
14 Jobs Recovery Law in the Illinois Municipal Code, previously
15 established under the Economic Development Project Area Tax
16 Increment Act of 1995, or previously established under the
17 Economic Development Area Tax Increment Allocation Act, of each
18 taxable lot, block, tract, or parcel of real property in the
19 redevelopment project area over and above the initial equalized
20 assessed value of each property in the redevelopment project
21 area. For the taxes which are extended for the 1997 levy year,
22 the recovered tax increment value for a non-home rule taxing
23 district that first became subject to this Law for the 1995
24 levy year because a majority of its 1994 equalized assessed
25 value was in an affected county or counties shall be increased
26 if a municipality terminated the designation of an area in 1993

1 as a redevelopment project area previously established under
2 the Tax Increment Allocation Development Act in the Illinois
3 Municipal Code, previously established under the Industrial
4 Jobs Recovery Law in the Illinois Municipal Code, or previously
5 established under the Economic Development Area Tax Increment
6 Allocation Act, by an amount equal to the 1994 equalized
7 assessed value of each taxable lot, block, tract, or parcel of
8 real property in the redevelopment project area over and above
9 the initial equalized assessed value of each property in the
10 redevelopment project area. In the first year after a
11 municipality removes a taxable lot, block, tract, or parcel of
12 real property from a redevelopment project area established
13 under the Tax Increment Allocation Development Act in the
14 Illinois Municipal Code, the Industrial Jobs Recovery Law in
15 the Illinois Municipal Code, or the Economic Development Area
16 Tax Increment Allocation Act, "recovered tax increment value"
17 means the amount of the current year's equalized assessed value
18 of each taxable lot, block, tract, or parcel of real property
19 removed from the redevelopment project area over and above the
20 initial equalized assessed value of that real property before
21 removal from the redevelopment project area.

22 Except as otherwise provided in this Section, "limiting
23 rate" means a fraction the numerator of which is the last
24 preceding aggregate extension base times an amount equal to one
25 plus the extension limitation defined in this Section and the
26 denominator of which is the current year's equalized assessed

1 value of all real property in the territory under the
2 jurisdiction of the taxing district during the prior levy year.
3 For those taxing districts that reduced their aggregate
4 extension for the last preceding levy year, the highest
5 aggregate extension in any of the last 3 preceding levy years
6 shall be used for the purpose of computing the limiting rate.
7 The denominator shall not include new property or the recovered
8 tax increment value. If a new rate, a rate decrease, or a
9 limiting rate increase has been approved at an election held
10 after March 21, 2006, then (i) the otherwise applicable
11 limiting rate shall be increased by the amount of the new rate
12 or shall be reduced by the amount of the rate decrease, as the
13 case may be, or (ii) in the case of a limiting rate increase,
14 the limiting rate shall be equal to the rate set forth in the
15 proposition approved by the voters for each of the years
16 specified in the proposition, after which the limiting rate of
17 the taxing district shall be calculated as otherwise provided.
18 (Source: P.A. 94-974, eff. 6-30-06; 94-976, eff. 6-30-06;
19 94-1078, eff. 1-9-07; 95-90, eff. 1-1-08; 95-331, eff. 8-21-07;
20 95-404, eff. 1-1-08; 95-876, eff. 8-21-08.)

21 (35 ILCS 200/18-205)

22 Sec. 18-205. Referendum to increase the extension
23 limitation. A taxing district is limited to an extension
24 limitation of the lesser of 5% or the percentage increase in
25 the Employment Cost Index or, upon approval of a referendum

1 under Section 18-211, the percentage increase in the Consumer
2 Price Index during the 12-month calendar year preceding the
3 levy year, ~~whichever is less~~. A taxing district may increase
4 its extension limitation for one or more levy years if that
5 taxing district holds a referendum before the levy date for the
6 first levy year at which a majority of voters voting on the
7 issue approves adoption of a higher extension limitation.
8 Referenda shall be conducted at a regularly scheduled election
9 in accordance with the Election Code. The question shall be
10 presented in substantially the following manner for all
11 elections held after March 21, 2006:

12 Shall the extension limitation under the Property Tax
13 Extension Limitation Law for (insert the legal name,
14 number, if any, and county or counties of the taxing
15 district and geographic or other common name by which a
16 school or community college district is known and referred
17 to), Illinois, be increased from the lesser of 5% or the
18 percentage increase in the Consumer Price Index over the
19 prior levy year to (insert the percentage of the proposed
20 increase)% per year for (insert each levy year for which
21 the increased extension limitation will apply)?

22 The votes must be recorded as "Yes" or "No".

23 If a majority of voters voting on the issue approves the
24 adoption of the increase, the increase shall be applicable for
25 each levy year specified.

26 The ballot for any question submitted pursuant to this

1 Section shall have printed thereon, but not as a part of the
2 question submitted, only the following supplemental
3 information (which shall be supplied to the election authority
4 by the taxing district) in substantially the following form:

5 (1) For the (insert the first levy year for which the
6 increased extension limitation will be applicable) levy
7 year the approximate amount of the additional tax
8 extendable against property containing a single family
9 residence and having a fair market value at the time of the
10 referendum of \$100,000 is estimated to be \$....

11 (2) Based upon an average annual percentage increase
12 (or decrease) in the market value of such property of ...%
13 (insert percentage equal to the average annual percentage
14 increase or decrease for the prior 3 levy years, at the
15 time the submission of the question is initiated by the
16 taxing district, in the amount of (A) the equalized
17 assessed value of the taxable property in the taxing
18 district less (B) the new property included in the
19 equalized assessed value), the approximate amount of the
20 additional tax extendable against such property for the ...
21 levy year is estimated to be \$... and for the ... levy year
22 is estimated to be \$....

23 Paragraph (2) shall be included only if the increased
24 extension limitation will be applicable for more than one year
25 and shall list each levy year for which the increased extension
26 limitation will be applicable. The additional tax shown for

1 each levy year shall be the approximate dollar amount of the
2 increase over the amount of the most recently completed
3 extension at the time the submission of the question is
4 initiated by the taxing district. The approximate amount of the
5 additional tax extendable shall be calculated by using (A) the
6 lesser of 5% or the percentage increase in the Consumer Price
7 Index for the prior levy year (or an estimate of the percentage
8 increase for the prior levy year if the increase is unavailable
9 at the time the submission of the question is initiated by the
10 taxing district), (B) the percentage increase proposed in the
11 question, and (C) the last known equalized assessed value and
12 aggregate extension base of the taxing district at the time the
13 submission of the question is initiated by the taxing district.
14 The approximate amount of the tax extendable shall be
15 calculated (i) without regard to any property tax exemptions
16 and (ii) based upon the percentage level of assessment
17 prescribed for such property by statute or by ordinance of the
18 county board in counties which classify property for purposes
19 of taxation in accordance with Section 4 of Article IX of the
20 Constitution. Any notice required to be published in connection
21 with the submission of the question shall also contain this
22 supplemental information and shall not contain any other
23 supplemental information. Any error, miscalculation, or
24 inaccuracy in computing any amount set forth on the ballot or
25 in the notice that is not deliberate shall not invalidate or
26 affect the validity of any proposition approved. Notice of the

1 referendum shall be published and posted as otherwise required
2 by law, and the submission of the question shall be initiated
3 as provided by law.

4 (Source: P.A. 94-976, eff. 6-30-06.)

5 (35 ILCS 200/18-211 new)

6 Sec. 18-211. Referendum to use Consumer Price Index
7 increase. A taxing district may calculate the extension
8 limitation based upon the percentage increase in the Consumer
9 Price Index during the 12-month calendar year preceding the
10 levy year rather than upon the percentage increase in the
11 Employment Cost Index during the 12-month calendar year
12 preceding the levy year.

13 The taxing district may not, however, use the Consumer
14 Price Index to calculate the extension limitation until the
15 question has been submitted to the electors of the district at
16 a regular election and approved by a majority of the electors
17 voting on the question. The governing body of the taxing
18 district must certify the question to the proper election
19 authority, which must submit the question at an election in
20 accordance with the Election Code

21 The election authority must submit the question in
22 substantially the following form:

23 Shall the (governing body of the taxing district) be
24 authorized to calculate the extension limitation based
25 upon the percentage increase in the Consumer Price Index

1 during the 12-month calendar year preceding the levy year
2 rather than upon the percentage increase in the Employment
3 Cost Index during the 12-month calendar year preceding the
4 levy year?

5 The election authority must record the votes as "Yes" or "No".

6 If a majority of the electors voting on the question vote
7 in the affirmative, then the taxing district may, thereafter,
8 calculate the extension limitation based upon the percentage
9 increase in the Consumer Price Index.

10 Section 99. Effective date. This Act takes effect upon
11 becoming law.