

# HB2379



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

HB2379

Introduced 2/19/2009, by Rep. Kevin A. McCarthy

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/10-350

Amends the Property Tax Code. In provisions concerning the fraternal organization assessment freeze, adds fraternal organizations that are exempt under Section 501(c)(3) of the Internal Revenue Code (now, only Section 501(c)(10)) and removes the requirement that the organization must prohibit the use of alcohol on the property. Begins in taxable year 2010.

LRB096 09549 RCE 19709 b

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 Section 10-350 as follows:

6 (35 ILCS 200/10-350)

7 Sec. 10-350. Fraternal organization assessment freeze.

8 (a) For the taxable year 2001 and thereafter, the assessed  
9 value of real property owned and used by a fraternal  
10 organization chartered by the State of Illinois prior to 1900,  
11 or its subordinate organization or entity, (i) that prohibits  
12 gambling and the use of alcohol on the property, (ii) that is  
13 an exempt entity under Section 501(c)(10) of the Internal  
14 Revenue Code, and (iii) whose members provide, directly or  
15 indirectly, financial support for charitable works, which may  
16 include medical care, drug rehabilitation, or education, shall  
17 be established by the chief county assessment officer as  
18 follows:

19 (1) if the property meets the qualifications set forth  
20 in this Section on January 1, 2001 and on January 1 of each  
21 subsequent assessment year, for assessment year 2001 and  
22 each subsequent assessment year, the final assessed value  
23 of the property shall be 15% of the final assessed value of

1 the property for the assessment year 2000; or

2 (2) if the property first meets the qualifications set  
3 forth in this Section on January 1 of any assessment year  
4 after assessment year 2001 and on January 1 of each  
5 subsequent assessment year, for that first assessment year  
6 and each subsequent assessment year, the final assessed  
7 value shall be 15% of the final assessed value of the  
8 property for the assessment year in which the property  
9 first meets the qualifications set forth in this Section.

10 (a-1) For the taxable year 2010 and thereafter, the  
11 assessed value of real property owned and used by a fraternal  
12 organization chartered by the State of Illinois prior to 1900,  
13 or its subordinate organization or entity, (i) that prohibits  
14 gambling on the property, (ii) that is an exempt entity under  
15 Section 501(c)(3) or 501(c)(10) of the Internal Revenue Code,  
16 and (iii) whose members provide, directly or indirectly,  
17 financial support for charitable works, which may include  
18 medical care, drug rehabilitation, or education, shall be  
19 established by the chief county assessment officer as follows:

20 (1) if the property meets the qualifications set forth  
21 in this Section on January 1, 2010 and on January 1 of each  
22 subsequent assessment year, for assessment year 2010 and  
23 each subsequent assessment year, the final assessed value  
24 of the property shall be 15% of the final assessed value of  
25 the property for the assessment year 2009; or

26 (2) if the property first meets the qualifications set

1       forth in this Section on January 1 of any assessment year  
2       after assessment year 2010 and on January 1 of each  
3       subsequent assessment year, for that first assessment year  
4       and each subsequent assessment year, the final assessed  
5       value shall be 15% of the final assessed value of the  
6       property for the assessment year in which the property  
7       first meets the qualifications set forth in this Section.

8       (a-6) If, in any year, additions or improvements are made  
9       to property subject to assessment under this Section and the  
10       additions or improvements would increase the assessed value of  
11       the property, then 15% of the final assessed value of the  
12       additions or improvements shall be added to the final assessed  
13       value of the property for the year in which the additions or  
14       improvements are completed and for all subsequent years that  
15       the property is eligible for assessment under this Section.

16       (b) For purposes of this Section, "final assessed value"  
17       means the assessed value after final board of review action.

18       (c) Fraternal organizations whose property is assessed  
19       under this Section must annually submit an application to the  
20       chief county assessment officer on or before (i) January 31 of  
21       the assessment year in counties with a population of 3,000,000  
22       or more and (ii) December 31 of the assessment year in all  
23       other counties. The initial application must contain the  
24       information required by the Department of Revenue, which shall  
25       prepare the form, including:

26               (1) a copy of the organization's charter from the State

1 of Illinois, if applicable;

2 (2) the location or legal description of the property  
3 on which is located the principal building for the  
4 organization, including the PIN number, if available;

5 (3) a written instrument evidencing that the  
6 organization is the record owner or has a legal or  
7 equitable interest in the property;

8 (4) an affidavit that the organization is liable for  
9 paying the real property taxes on the property; and

10 (5) the signature of the organization's chief  
11 presiding officer.

12 Subsequent applications shall include any changes in the  
13 initial application and shall affirm the ownership, use, and  
14 liability for taxes for the year in which it is submitted. All  
15 applications shall be notarized.

16 (d) This Section does not apply to parcels exempt from  
17 property taxes under this Code.

18 (Source: P.A. 91-834, eff. 1-1-01.)