



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

**HB4728**

Introduced 1/4/2010, by Rep. Sidney H. Mathias

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-175

Amends the Property Tax Code. Increases the general homestead exemption to \$7,500 beginning in taxable year 2010 (now, the general homestead exemption is \$6,000 for taxable years 2009 and thereafter).

LRB096 15835 HLH 31077 b

FISCAL NOTE ACT  
MAY APPLY

HOUSING  
AFFORDABILITY  
IMPACT NOTE ACT  
MAY APPLY

STATE MANDATES  
ACT MAY REQUIRE  
REIMBURSEMENT

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 15-175 as follows:

6 (35 ILCS 200/15-175)

7 Sec. 15-175. General homestead exemption. Except as  
8 provided in Sections 15-176 and 15-177, homestead property is  
9 entitled to an annual homestead exemption limited, except as  
10 described here with relation to cooperatives, to a reduction in  
11 the equalized assessed value of homestead property equal to the  
12 increase in equalized assessed value for the current assessment  
13 year above the equalized assessed value of the property for  
14 1977, up to the maximum reduction set forth below. If however,  
15 the 1977 equalized assessed value upon which taxes were paid is  
16 subsequently determined by local assessing officials, the  
17 Property Tax Appeal Board, or a court to have been excessive,  
18 the equalized assessed value which should have been placed on  
19 the property for 1977 shall be used to determine the amount of  
20 the exemption.

21 Except as provided in Section 15-176, the maximum reduction  
22 before taxable year 2004 shall be \$4,500 in counties with  
23 3,000,000 or more inhabitants and \$3,500 in all other counties.

1 Except as provided in Sections 15-176 and 15-177, for taxable  
2 years 2004 through 2007, the maximum reduction shall be \$5,000,  
3 for taxable year 2008, the maximum reduction is \$5,500, ~~and,~~  
4 for taxable year ~~years~~ 2009 ~~and thereafter~~, the maximum  
5 reduction is \$6,000, and for taxable years 2010 and thereafter,  
6 the maximum reduction is \$7,500 in all counties. If a county  
7 has elected to subject itself to the provisions of Section  
8 15-176 as provided in subsection (k) of that Section, then, for  
9 the first taxable year only after the provisions of Section  
10 15-176 no longer apply, for owners who, for the taxable year,  
11 have not been granted a senior citizens assessment freeze  
12 homestead exemption under Section 15-172 or a long-time  
13 occupant homestead exemption under Section 15-177, there shall  
14 be an additional exemption of \$5,000 for owners with a  
15 household income of \$30,000 or less.

16 In counties with fewer than 3,000,000 inhabitants, if,  
17 based on the most recent assessment, the equalized assessed  
18 value of the homestead property for the current assessment year  
19 is greater than the equalized assessed value of the property  
20 for 1977, the owner of the property shall automatically receive  
21 the exemption granted under this Section in an amount equal to  
22 the increase over the 1977 assessment up to the maximum  
23 reduction set forth in this Section.

24 If in any assessment year beginning with the 2000  
25 assessment year, homestead property has a pro-rata valuation  
26 under Section 9-180 resulting in an increase in the assessed

1 valuation, a reduction in equalized assessed valuation equal to  
2 the increase in equalized assessed value of the property for  
3 the year of the pro-rata valuation above the equalized assessed  
4 value of the property for 1977 shall be applied to the property  
5 on a proportionate basis for the period the property qualified  
6 as homestead property during the assessment year. The maximum  
7 proportionate homestead exemption shall not exceed the maximum  
8 homestead exemption allowed in the county under this Section  
9 divided by 365 and multiplied by the number of days the  
10 property qualified as homestead property.

11 "Homestead property" under this Section includes  
12 residential property that is occupied by its owner or owners as  
13 his or their principal dwelling place, or that is a leasehold  
14 interest on which a single family residence is situated, which  
15 is occupied as a residence by a person who has an ownership  
16 interest therein, legal or equitable or as a lessee, and on  
17 which the person is liable for the payment of property taxes.  
18 For land improved with an apartment building owned and operated  
19 as a cooperative or a building which is a life care facility as  
20 defined in Section 15-170 and considered to be a cooperative  
21 under Section 15-170, the maximum reduction from the equalized  
22 assessed value shall be limited to the increase in the value  
23 above the equalized assessed value of the property for 1977, up  
24 to the maximum reduction set forth above, multiplied by the  
25 number of apartments or units occupied by a person or persons  
26 who is liable, by contract with the owner or owners of record,

1 for paying property taxes on the property and is an owner of  
2 record of a legal or equitable interest in the cooperative  
3 apartment building, other than a leasehold interest. For  
4 purposes of this Section, the term "life care facility" has the  
5 meaning stated in Section 15-170.

6 "Household", as used in this Section, means the owner, the  
7 spouse of the owner, and all persons using the residence of the  
8 owner as their principal place of residence.

9 "Household income", as used in this Section, means the  
10 combined income of the members of a household for the calendar  
11 year preceding the taxable year.

12 "Income", as used in this Section, has the same meaning as  
13 provided in Section 3.07 of the Senior Citizens and Disabled  
14 Persons Property Tax Relief and Pharmaceutical Assistance Act,  
15 except that "income" does not include veteran's benefits.

16 In a cooperative where a homestead exemption has been  
17 granted, the cooperative association or its management firm  
18 shall credit the savings resulting from that exemption only to  
19 the apportioned tax liability of the owner who qualified for  
20 the exemption. Any person who willfully refuses to so credit  
21 the savings shall be guilty of a Class B misdemeanor.

22 Where married persons maintain and reside in separate  
23 residences qualifying as homestead property, each residence  
24 shall receive 50% of the total reduction in equalized assessed  
25 valuation provided by this Section.

26 In all counties, the assessor or chief county assessment

1 officer may determine the eligibility of residential property  
2 to receive the homestead exemption and the amount of the  
3 exemption by application, visual inspection, questionnaire or  
4 other reasonable methods. The determination shall be made in  
5 accordance with guidelines established by the Department,  
6 provided that the taxpayer applying for an additional general  
7 exemption under this Section shall submit to the chief county  
8 assessment officer an application with an affidavit of the  
9 applicant's total household income, age, marital status (and,  
10 if married, the name and address of the applicant's spouse, if  
11 known), and principal dwelling place of members of the  
12 household on January 1 of the taxable year. The Department  
13 shall issue guidelines establishing a method for verifying the  
14 accuracy of the affidavits filed by applicants under this  
15 paragraph. The applications shall be clearly marked as  
16 applications for the Additional General Homestead Exemption.

17 In counties with fewer than 3,000,000 inhabitants, in the  
18 event of a sale of homestead property the homestead exemption  
19 shall remain in effect for the remainder of the assessment year  
20 of the sale. The assessor or chief county assessment officer  
21 may require the new owner of the property to apply for the  
22 homestead exemption for the following assessment year.

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

26 (Source: P.A. 95-644, eff. 10-12-07.)