



Sen. Toi W. Hutchinson

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1 AMENDMENT TO HOUSE BILL 212

2 AMENDMENT NO. _____. Amend House Bill 212 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Property Tax Code is amended by changing
5 Section 18-165 and by adding Section 18-184.10 as follows:

6 (35 ILCS 200/18-165)

7 Sec. 18-165. Abatement of taxes.

8 (a) Any taxing district, upon a majority vote of its
9 governing authority, may, after the determination of the
10 assessed valuation of its property, order the clerk of that
11 county to abate any portion of its taxes on the following types
12 of property:

13 (1) Commercial and industrial.

14 (A) The property of any commercial or industrial
15 firm, including but not limited to the property of (i)
16 any firm that is used for collecting, separating,

1 storing, or processing recyclable materials, locating
2 within the taxing district during the immediately
3 preceding year from another state, territory, or
4 country, or having been newly created within this State
5 during the immediately preceding year, or expanding an
6 existing facility, or (ii) any firm that is used for
7 the generation and transmission of electricity
8 locating within the taxing district during the
9 immediately preceding year or expanding its presence
10 within the taxing district during the immediately
11 preceding year by construction of a new electric
12 generating facility that uses natural gas as its fuel,
13 or any firm that is used for production operations at a
14 new, expanded, or reopened coal mine within the taxing
15 district, that has been certified as a High Impact
16 Business by the Illinois Department of Commerce and
17 Economic Opportunity. The property of any firm used for
18 the generation and transmission of electricity shall
19 include all property of the firm used for transmission
20 facilities as defined in Section 5.5 of the Illinois
21 Enterprise Zone Act. The abatement shall not exceed a
22 period of 10 years and the aggregate amount of abated
23 taxes for all taxing districts combined shall not
24 exceed \$4,000,000.

25 (A-5) Any property in the taxing district of a new
26 electric generating facility, as defined in Section

1 605-332 of the Department of Commerce and Economic
2 Opportunity Law of the Civil Administrative Code of
3 Illinois. The abatement shall not exceed a period of 10
4 years. The abatement shall be subject to the following
5 limitations:

6 (i) if the equalized assessed valuation of the
7 new electric generating facility is equal to or
8 greater than \$25,000,000 but less than
9 \$50,000,000, then the abatement may not exceed (i)
10 over the entire term of the abatement, 5% of the
11 taxing district's aggregate taxes from the new
12 electric generating facility and (ii) in any one
13 year of abatement, 20% of the taxing district's
14 taxes from the new electric generating facility;

15 (ii) if the equalized assessed valuation of
16 the new electric generating facility is equal to or
17 greater than \$50,000,000 but less than
18 \$75,000,000, then the abatement may not exceed (i)
19 over the entire term of the abatement, 10% of the
20 taxing district's aggregate taxes from the new
21 electric generating facility and (ii) in any one
22 year of abatement, 35% of the taxing district's
23 taxes from the new electric generating facility;

24 (iii) if the equalized assessed valuation of
25 the new electric generating facility is equal to or
26 greater than \$75,000,000 but less than

1 \$100,000,000, then the abatement may not exceed
2 (i) over the entire term of the abatement, 20% of
3 the taxing district's aggregate taxes from the new
4 electric generating facility and (ii) in any one
5 year of abatement, 50% of the taxing district's
6 taxes from the new electric generating facility;

7 (iv) if the equalized assessed valuation of
8 the new electric generating facility is equal to or
9 greater than \$100,000,000 but less than
10 \$125,000,000, then the abatement may not exceed
11 (i) over the entire term of the abatement, 30% of
12 the taxing district's aggregate taxes from the new
13 electric generating facility and (ii) in any one
14 year of abatement, 60% of the taxing district's
15 taxes from the new electric generating facility;

16 (v) if the equalized assessed valuation of the
17 new electric generating facility is equal to or
18 greater than \$125,000,000 but less than
19 \$150,000,000, then the abatement may not exceed
20 (i) over the entire term of the abatement, 40% of
21 the taxing district's aggregate taxes from the new
22 electric generating facility and (ii) in any one
23 year of abatement, 60% of the taxing district's
24 taxes from the new electric generating facility;

25 (vi) if the equalized assessed valuation of
26 the new electric generating facility is equal to or

1 greater than \$150,000,000, then the abatement may
2 not exceed (i) over the entire term of the
3 abatement, 50% of the taxing district's aggregate
4 taxes from the new electric generating facility
5 and (ii) in any one year of abatement, 60% of the
6 taxing district's taxes from the new electric
7 generating facility.

8 The abatement is not effective unless the owner of
9 the new electric generating facility agrees to repay to
10 the taxing district all amounts previously abated,
11 together with interest computed at the rate and in the
12 manner provided for delinquent taxes, in the event that
13 the owner of the new electric generating facility
14 closes the new electric generating facility before the
15 expiration of the entire term of the abatement.

16 The authorization of taxing districts to abate
17 taxes under this subdivision (a)(1)(A-5) expires on
18 January 1, 2010.

19 (B) The property of any commercial or industrial
20 development of at least 500 acres having been created
21 within the taxing district. The abatement shall not
22 exceed a period of 20 years and the aggregate amount of
23 abated taxes for all taxing districts combined shall
24 not exceed \$12,000,000.

25 (C) The property of any commercial or industrial
26 firm currently located in the taxing district that

1 expands a facility or its number of employees. The
2 abatement shall not exceed a period of 10 years and the
3 aggregate amount of abated taxes for all taxing
4 districts combined shall not exceed \$4,000,000. The
5 abatement period may be renewed at the option of the
6 taxing districts.

7 (2) Horse racing. Any property in the taxing district
8 which is used for the racing of horses and upon which
9 capital improvements consisting of expansion, improvement
10 or replacement of existing facilities have been made since
11 July 1, 1987. The combined abatements for such property
12 from all taxing districts in any county shall not exceed
13 \$5,000,000 annually and shall not exceed a period of 10
14 years.

15 (3) Auto racing. Any property designed exclusively for
16 the racing of motor vehicles. Such abatement shall not
17 exceed a period of 10 years.

18 (4) Academic or research institute. The property of any
19 academic or research institute in the taxing district that
20 (i) is an exempt organization under paragraph (3) of
21 Section 501(c) of the Internal Revenue Code, (ii) operates
22 for the benefit of the public by actually and exclusively
23 performing scientific research and making the results of
24 the research available to the interested public on a
25 non-discriminatory basis, and (iii) employs more than 100
26 employees. An abatement granted under this paragraph shall

1 be for at least 15 years and the aggregate amount of abated
2 taxes for all taxing districts combined shall not exceed
3 \$5,000,000.

4 (5) Housing for older persons. Any property in the
5 taxing district that is devoted exclusively to affordable
6 housing for older households. For purposes of this
7 paragraph, "older households" means those households (i)
8 living in housing provided under any State or federal
9 program that the Department of Human Rights determines is
10 specifically designed and operated to assist elderly
11 persons and is solely occupied by persons 55 years of age
12 or older and (ii) whose annual income does not exceed 80%
13 of the area gross median income, adjusted for family size,
14 as such gross income and median income are determined from
15 time to time by the United States Department of Housing and
16 Urban Development. The abatement shall not exceed a period
17 of 15 years, and the aggregate amount of abated taxes for
18 all taxing districts shall not exceed \$3,000,000.

19 (6) Historical society. For assessment years 1998
20 through 2013, the property of an historical society
21 qualifying as an exempt organization under Section
22 501(c)(3) of the federal Internal Revenue Code.

23 (7) Recreational facilities. Any property in the
24 taxing district (i) that is used for a municipal airport,
25 (ii) that is subject to a leasehold assessment under
26 Section 9-195 of this Code and (iii) which is sublet from a

1 park district that is leasing the property from a
2 municipality, but only if the property is used exclusively
3 for recreational facilities or for parking lots used
4 exclusively for those facilities. The abatement shall not
5 exceed a period of 10 years.

6 (8) Relocated corporate headquarters. If approval
7 occurs within 5 years after the effective date of this
8 amendatory Act of the 92nd General Assembly, any property
9 or a portion of any property in a taxing district that is
10 used by an eligible business for a corporate headquarters
11 as defined in the Corporate Headquarters Relocation Act.
12 Instead of an abatement under this paragraph (8), a taxing
13 district may enter into an agreement with an eligible
14 business to make annual payments to that eligible business
15 in an amount not to exceed the property taxes paid directly
16 or indirectly by that eligible business to the taxing
17 district and any other taxing districts for premises
18 occupied pursuant to a written lease and may make those
19 payments without the need for an annual appropriation. No
20 school district, however, may enter into an agreement with,
21 or abate taxes for, an eligible business unless the
22 municipality in which the corporate headquarters is
23 located agrees to provide funding to the school district in
24 an amount equal to the amount abated or paid by the school
25 district as provided in this paragraph (8). Any abatement
26 ordered or agreement entered into under this paragraph (8)

1 may be effective for the entire term specified by the
2 taxing district, except the term of the abatement or annual
3 payments may not exceed 20 years.

4 (9) United States Military Public/Private Residential
5 Developments. Each building, structure, or other
6 improvement designed, financed, constructed, renovated,
7 managed, operated, or maintained after January 1, 2006
8 under a "PPV Lease", as set forth under Division 14 of
9 Article 10, and any such PPV Lease.

10 (10) Property located in a business corridor that
11 qualifies for an abatement under Section 18-184.10.

12 (b) Upon a majority vote of its governing authority, any
13 municipality may, after the determination of the assessed
14 valuation of its property, order the county clerk to abate any
15 portion of its taxes on any property that is located within the
16 corporate limits of the municipality in accordance with Section
17 8-3-18 of the Illinois Municipal Code.

18 (Source: P.A. 96-1136, eff. 7-21-10.)

19 (35 ILCS 200/18-184.10 new)

20 Sec. 18-184.10. Business corridors; abatement.

21 (a) The county clerk shall abate property taxes levied by a
22 taxing district, as approved under Section 18-165, on property
23 that meets the following requirements:

24 (1) the property does not qualify as exempt property
25 under Section 15-95 of this Code; and

1 (2) the property is situated in a business corridor
2 created by intergovernmental agreement between 2 adjoining
3 disadvantaged municipalities.

4 (b) A business corridor created under this Section shall
5 encompass only territory along the common border of the
6 municipalities that is (i) undeveloped or underdeveloped and
7 (ii) not likely to be developed without the creation of the
8 business corridor.

9 The intergovernmental agreement shall specify the
10 territory to be included in the business corridor. The
11 agreement shall also provide for the duration of an abatement
12 under this Section and for any other provision necessary to
13 carry out the provisions of this Section. No abatement under
14 this Section shall exceed 10 years in duration. Upon adoption
15 of the agreement provided for under this Section, the
16 municipalities must deliver a certified copy of the agreement
17 to the county clerk.

18 (c) Before adopting an intergovernmental agreement
19 proposing the designation of a business corridor, each
20 municipality, by its corporate authorities, must adopt an
21 ordinance or resolution fixing a time and place for a public
22 hearing. At least 10 days before adopting the ordinance or
23 resolution establishing the time and place for the public
24 hearing, the municipality must make available for public
25 inspection the boundaries of the proposed business corridor.

26 At the public hearing, any interested person or affected

1 taxing district may file with the municipal clerk written
2 objections to the business corridor and may be heard orally
3 with respect to any issues embodied in the notice. The
4 municipality must hear all protests and objections at the
5 hearing, and the hearing may be adjourned to another date
6 without further notice other than a motion entered upon the
7 minutes fixing the time and place of the subsequent hearing. At
8 the public hearing or at any time before the municipality
9 adopts an ordinance approving the intergovernmental agreement,
10 the municipality may make changes to the boundaries of the
11 business corridor. Changes that add additional parcels of
12 property to the proposed business corridor may be made only
13 after each municipality gives notice and conducts a public
14 hearing pursuant to the procedures set forth in this Section.

15 Except as otherwise provided in this Section, notice of the
16 public hearing must be given by publication. Notice by
17 publication must be given by publication at least twice. The
18 first publication must be not more than 30 nor less than 10
19 days before the hearing in a newspaper of general circulation
20 within the taxing districts having property in the proposed
21 business corridor. The notice must include the following:

22 (1) the time and place of the public hearing;

23 (2) the boundaries of the proposed business corridor by
24 legal description and by street location, if possible;

25 (3) a statement that all interested persons will be
26 given an opportunity to be heard at the public hearing; and

1 (4) such other matters as the municipality may deem
2 appropriate.

3 (d) As used in this Section:

4 "Disadvantaged municipality" means a municipality with (i)
5 a per capita equalized assessed valuation (EAV) less than 60%
6 of the State average and (ii) more than 15% of its population
7 below the national poverty level."