



## 97TH GENERAL ASSEMBLY

### State of Illinois

2011 and 2012

HB0235

Introduced 01/25/11, by Rep. Tom Cross

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/10-30  
35 ILCS 200/10-31

Amends the Property Tax Code. In provisions concerning the assessment of subdivisions, provides that the subsequent sale or transfer of the property by a party who acquired title pursuant to (i) a transfer as a mortgage holder, (ii) a mortgage foreclosure proceeding, (iii) a consent judgment, or (iv) a transfer in lieu of foreclosure, shall not disqualify the property from being assessed based on the estimated price the property would bring at a fair voluntary sale for use by the buyer for the same purposes for which the property was used when last assessed prior to its platting (or, until January 1, 2011, assessed based on the assessed value assigned to the property when last assessed prior to its last transfer or conveyance) unless (A) a habitable structure is completed on the lot, (B) the lot is used for business, commercial, or residential purpose, or (C) until the initial sale of any platted lot. Effective immediately.

LRB097 05945 HLH 46014 b

FISCAL NOTE ACT  
MAY APPLY

HOUSING  
AFFORDABILITY  
IMPACT NOTE ACT  
MAY APPLY

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 10-30 and 10-31 as follows:

6 (35 ILCS 200/10-30)

7 Sec. 10-30. Subdivisions; counties of less than 3,000,000.

8 (a) In counties with less than 3,000,000 inhabitants, the  
9 platting and subdivision of property into separate lots and the  
10 development of the subdivided property with streets,  
11 sidewalks, curbs, gutters, sewer, water and utility lines shall  
12 not increase the assessed valuation of all or any part of the  
13 property, if:

14 (1) The property is platted and subdivided in  
15 accordance with the Plat Act;

16 (2) The platting occurs after January 1, 1978;

17 (3) At the time of platting the property is in excess  
18 of 5 acres; and

19 (4) At the time of platting the property is vacant or  
20 used as a farm as defined in Section 1-60.

21 (b) Except as provided in subsection (c) of this Section,  
22 the assessed valuation of property so platted and subdivided  
23 shall be determined each year based on the estimated price the

1 property would bring at a fair voluntary sale for use by the  
2 buyer for the same purposes for which the property was used  
3 when last assessed prior to its platting.

4 (c) Upon completion of a habitable structure on any lot of  
5 subdivided property, or upon the use of any lot, either alone  
6 or in conjunction with any contiguous property, for any  
7 business, commercial or residential purpose, or upon the  
8 initial sale of any platted lot, including a platted lot which  
9 is vacant: (i) the provisions of subsection (b) of this Section  
10 shall no longer apply in determining the assessed valuation of  
11 the lot, (ii) each lot shall be assessed without regard to any  
12 provision of this Section, and (iii) the assessed valuation of  
13 the remaining property, when next determined, shall be reduced  
14 proportionately to reflect the exclusion of the property that  
15 no longer qualifies for valuation under this Section. Holding  
16 or offering a platted lot for initial sale shall not constitute  
17 a use of the lot for business, commercial or residential  
18 purposes unless a habitable structure is situated on the lot or  
19 unless the lot is otherwise used for a business, commercial or  
20 residential purpose.

21 (c-5) Beginning January 1, 2011, and except as provided in  
22 subsection (c), the subsequent sale or transfer of the property  
23 by a party who acquired title pursuant to (i) a transfer as a  
24 mortgage holder, as "mortgage" is defined in Section 15-1207 of  
25 the Code of Civil Procedure, (ii) a mortgage foreclosure  
26 proceeding, (iii) a consent judgment, or (iv) a transfer in

1 lieu of foreclosure, shall not disqualify the property from  
2 subsection (b) above. Subsection (b) of this Section shall  
3 apply to each undeveloped platted lot until a habitable  
4 structure is completed on the lot.

5 (d) This Section applies before the effective date of this  
6 amendatory Act of the 96th General Assembly and then applies  
7 again beginning January 1, 2012.

8 (Source: P.A. 95-135, eff. 1-1-08; 96-480, eff. 8-14-09.)

9 (35 ILCS 200/10-31)

10 Sec. 10-31. Subdivisions; counties of less than 3,000,000.

11 (a) In counties with less than 3,000,000 inhabitants, the  
12 platting and subdivision of property into separate lots and the  
13 development of the subdivided property with streets,  
14 sidewalks, curbs, gutters, sewer, water and utility lines shall  
15 not increase the assessed valuation of all or any part of the  
16 property, if:

17 (1) The property is platted and subdivided in  
18 accordance with the Plat Act;

19 (2) The platting occurs after January 1, 1978;

20 (3) At the time of platting the property is in excess  
21 of 5 acres; and

22 (4) At the time of platting or replatting the property  
23 is vacant or used as a farm as defined in Section 1-60.

24 (b) Except as provided in subsection (c) of this Section,  
25 the assessed valuation of property so platted and subdivided

1 shall be determined based on the assessed value assigned to the  
2 property when last assessed prior to its last transfer or  
3 conveyance. An initial sale of any platted lot, including a lot  
4 that is vacant, or a transfer to a holder of a mortgage, as  
5 defined in Section 15-1207 of the Code of Civil Procedure,  
6 pursuant to a mortgage foreclosure proceeding, pursuant to a  
7 consent judgment, or pursuant to a transfer in lieu of  
8 foreclosure, does not disqualify that lot from the provisions  
9 of this subsection (b). The subsequent sale or transfer of the  
10 property by a party who acquired title pursuant to (i) a  
11 transfer as a mortgage holder, as "mortgage" is defined in  
12 Section 15-1207 of the Code of Civil Procedure, (ii) a mortgage  
13 foreclosure proceeding, (iii) a consent judgment, or (iv) a  
14 transfer in lieu of foreclosure, shall not disqualify the  
15 property from this subsection (b). This subsection (b) shall  
16 apply to each undeveloped platted lot until a habitable  
17 structure is completed on the lot.

18 (c) Upon completion of a habitable structure on any lot of  
19 subdivided property, or upon the use of any lot, either alone  
20 or in conjunction with any contiguous property, for any  
21 business, commercial or residential purpose: (i) the  
22 provisions of subsection (b) of this Section shall no longer  
23 apply in determining the assessed valuation of the lot, (ii)  
24 each lot shall be assessed without regard to any provision of  
25 this Section, and (iii) the assessed valuation of the remaining  
26 property, when next determined, shall be reduced

1 proportionately to reflect the exclusion of the property that  
2 no longer qualifies for valuation under this Section. Holding  
3 or offering a platted lot for initial sale shall not constitute  
4 a use of the lot for business, commercial or residential  
5 purposes unless a habitable structure is situated on the lot or  
6 unless the lot is otherwise used for a business, commercial or  
7 residential purpose. The replatting of a subdivision or portion  
8 of a subdivision does not disqualify the replatted lots from  
9 the provisions of subsection (b).

10 (d) This Section applies on and after the effective date of  
11 this amendatory Act of the 96th General Assembly and through  
12 December 31, 2011.

13 (Source: P.A. 96-480, eff. 8-14-09.)

14 Section 99. Effective date. This Act takes effect upon  
15 becoming law.