

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 9-195 and by adding Section 15-161 as follows:

6 (35 ILCS 200/9-195)

7 Sec. 9-195. Leasing of exempt property.

8 (a) Except as provided in Sections 15-35, 15-55, 15-60,
9 15-100, 15-103, 15-161, and 15-185, when property which is
10 exempt from taxation is leased to another whose property is not
11 exempt, and the leasing of which does not make the property
12 taxable, the leasehold estate and the appurtenances shall be
13 listed as the property of the lessee thereof, or his or her
14 assignee. Taxes on that property shall be collected in the same
15 manner as on property that is not exempt, and the lessee shall
16 be liable for those taxes. However, no tax lien shall attach to
17 the exempt real estate. The changes made by this amendatory Act
18 of 1997 and by this amendatory Act of the 91st General Assembly
19 are declaratory of existing law and shall not be construed as a
20 new enactment. The changes made by Public Acts 88-221 and
21 88-420 that are incorporated into this Section by this
22 amendatory Act of 1993 are declarative of existing law and are
23 not a new enactment.

1 (b) The provisions of this Section regarding taxation of
2 leasehold interests in exempt property do not apply to any
3 leasehold interest created pursuant to any transaction
4 described in subsection (e) of Section 15-35, subsection (c-5)
5 of Section 15-60, subsection (b) of Section 15-100, Section
6 15-103, or Section 15-185.

7 (Source: P.A. 92-844, eff. 8-23-02; 92-846, eff. 8-23-02;
8 93-19, eff. 6-20-03.)

9 (35 ILCS 200/15-161 new)

10 Sec. 15-161. Municipal airports and leased property at
11 municipal airports. Beginning in tax year 2010, all property of
12 a municipal airport belonging to a single municipality with
13 less than 50,000 inhabitants in a county with more than
14 3,000,000 inhabitants is exempt from taxation under this Code.
15 Further, beginning in tax year 2010, all property of a
16 municipal airport belonging to a single municipality with less
17 than 50,000 inhabitants in a county with more than 3,000,000
18 inhabitants that is leased to a public or private entity is
19 exempt from leasehold taxes under this Code.

20 Section 99. Effective date. This Act takes effect upon
21 becoming law.