

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 3. The Property Tax Code is amended by changing
5 Sections 11-85 and 11-90 and by adding Section 11-80.1 as
6 follows:

7 (35 ILCS 200/11-80.1 new)

8 Sec. 11-80.1. High-speed passenger rail project. Due to the
9 importance of developing high-speed or faster rail service, the
10 General Assembly finds that it should encourage freight
11 railroad owners to participate in State and federal government
12 programs, including cooperative agreements designed to
13 increase the speed of passenger rail service, that
14 participation in those programs should not result in increased
15 property taxes, and that such an increase in property taxes
16 could negatively impact the participation in those programs.
17 Therefore, the Department shall take into consideration any
18 potential increase in a property's overall valuation that is
19 directly attributable to the investment, improvement,
20 replacement, or expansion of railroad operating property on or
21 after January 1, 2010, through State or federal government
22 programs, including cooperative agreements, necessary for
23 higher speed passenger rail transportation. Any such increase

1 in the property's overall valuation that is directly
2 attributable to the investment, improvement, replacement, or
3 expansion of railroad operating property on or after January 1,
4 2010, through State or federal government programs necessary
5 for higher speed passenger rail transportation, including
6 cooperative agreements, shall be excluded from the valuation of
7 its real property improvements under Section 11-80. This
8 Section applies on and after the effective date of this
9 amendatory Act of the 97th General Assembly and through
10 December 31, 2019.

11 (35 ILCS 200/11-85)

12 Sec. 11-85. Property schedules. Every railroad company
13 shall, on or before June 1 of each year, when required, make
14 out and file with the Department a statement or schedule
15 showing the property held for right of way, whether owned,
16 leased, or operated under trackage right agreement, and the
17 length of the first, second, third and other main and all side
18 tracks and turnouts, and the number of acres of right of way in
19 each county of this State and in each taxing district of this
20 State, through or into which the road may run. It shall
21 describe all improvements and stations located on the right of
22 way, giving the quantity, quality, character and original cost
23 of each. It shall also report all non-operating personalty
24 owned or controlled by the company on January 1, giving the
25 quantity, quality, character and location of the same. The

1 report shall also include any potential increase in the
2 property's overall valuation that is directly attributable to
3 the investment, improvement, replacement, or expansion of
4 railroad operating property on or after January 1, 2010,
5 through State or federal governmental programs, including
6 cooperative agreements, necessary for higher speed passenger
7 rail transportation through December 31, 2019. New companies
8 shall make the statement on or before the June 1 after the
9 location of their road.

10 When the statement has once been made, it is not necessary
11 to report the description as required above unless directed to
12 do so by the Department, but the company shall, on or before
13 June 1, annually, report all additions or changes in its
14 property in this State as have occurred.

15 The return required by this Section should be made by the
16 using company, but all property which is operated under one
17 control shall be returned as provided in this Section.

18 (Source: P.A. 86-905; 88-455.)

19 (35 ILCS 200/11-90)

20 Sec. 11-90. Information schedules. Each year every
21 railroad company in this State shall return to the Department,
22 in addition to any other information required by this Code,
23 sworn statements or schedules as follows:

24 (a) The amount of capital stock authorized and the
25 total number of shares of capital stock.

1 (b) The amount of capital stock issued and outstanding.

2 (c) The market value, or if no market value then the
3 estimated value, of the shares of stock outstanding.

4 (d) The total amount of all bonds outstanding and all
5 other indebtedness.

6 (e) The market value, or if no market value then the
7 estimated value, of all bonds outstanding and all other
8 indebtedness.

9 (f) A statement in detail of the entire gross receipts
10 and net earnings of the company during the 5 calendar years
11 preceding the assessment date within this State, and of the
12 entire system from all sources.

13 (g) The length of the first, second, third and other
14 main tracks and all side tracks and turnouts showing the
15 proportions within this State and elsewhere.

16 (h) The reproduction cost of the property within
17 Illinois and the total reproduction cost of all property of
18 the company. The reproduction cost, so far as applicable,
19 shall be as last determined by the United States Interstate
20 Commerce Commission, or other competent authority, plus
21 additions and betterments, less retirements and
22 depreciation to the December 31 preceding the assessment
23 date.

24 (i) An enumeration and classification of all rolling
25 stock and car equipment owned or leased by the company. The
26 classification shall show type of equipment and

1 circumstances of ownership and use. The enumeration shall
2 include rolling stock used over the track of other
3 companies under any trackage right agreement. All other
4 property used in connection with a trackage right agreement
5 shall be listed.

6 (j) Any other information the Department may require to
7 determine the fair cash value of the property of any
8 railroad company, or necessary to carry out the provisions
9 of this Code, including information pertaining to any
10 potential increases in the property's overall valuation
11 that is directly attributable to the investment,
12 improvement, replacement, or expansion of railroad
13 operating property on or after January 1, 2010, through
14 State or federal governmental programs, including
15 cooperative agreements, necessary for higher speed
16 passenger rail transportation through December 31, 2019.

17 Such statements or schedules shall conform to the
18 instructions and forms prescribed by the Department.

19 In cases where a railroad company uses property owned by
20 another, the return shall be made by the using company and all
21 property operated under one control shall be returned as
22 provided above.

23 (Source: P.A. 86-905; 88-455.)

24 Section 5. The Senior Citizens Real Estate Tax Deferral Act
25 is amended by changing Sections 2 and 3 as follows:

1 (320 ILCS 30/2) (from Ch. 67 1/2, par. 452)

2 Sec. 2. Definitions. As used in this Act:

3 (a) "Taxpayer" means an individual whose household income
4 for the year is no greater than: (i) \$40,000 through tax year
5 2005; ~~and~~ (ii) \$50,000 for tax years ~~year~~ 2006 through 2011;
6 and (iii) \$55,000 for tax year 2012 and thereafter.

7 (b) "Tax deferred property" means the property upon which
8 real estate taxes are deferred under this Act.

9 (c) "Homestead" means the land and buildings thereon,
10 including a condominium or a dwelling unit in a multidwelling
11 building that is owned and operated as a cooperative, occupied
12 by the taxpayer as his residence or which are temporarily
13 unoccupied by the taxpayer because such taxpayer is temporarily
14 residing, for not more than 1 year, in a licensed facility as
15 defined in Section 1-113 of the Nursing Home Care Act.

16 (d) "Real estate taxes" or "taxes" means the taxes on real
17 property for which the taxpayer would be liable under the
18 Property Tax Code, including special service area taxes, and
19 special assessments on benefited real property for which the
20 taxpayer would be liable to a unit of local government.

21 (e) "Department" means the Department of Revenue.

22 (f) "Qualifying property" means a homestead which (a) the
23 taxpayer or the taxpayer and his spouse own in fee simple or
24 are purchasing in fee simple under a recorded instrument of
25 sale, (b) is not income-producing property, (c) is not subject

1 to a lien for unpaid real estate taxes when a claim under this
2 Act is filed, and (d) is not held in trust, other than an
3 Illinois land trust with the taxpayer identified as the sole
4 beneficiary, if the taxpayer is filing for the program for the
5 first time effective as of the January 1, 2011 assessment year
6 or tax year 2012 and thereafter.

7 (g) "Equity interest" means the current assessed valuation
8 of the qualified property times the fraction necessary to
9 convert that figure to full market value minus any outstanding
10 debts or liens on that property. In the case of qualifying
11 property not having a separate assessed valuation, the
12 appraised value as determined by a qualified real estate
13 appraiser shall be used instead of the current assessed
14 valuation.

15 (h) "Household income" has the meaning ascribed to that
16 term in the Senior Citizens and Disabled Persons Property Tax
17 Relief and Pharmaceutical Assistance Act.

18 (i) "Collector" means the county collector or, if the taxes
19 to be deferred are special assessments, an official designated
20 by a unit of local government to collect special assessments.

21 (Source: P.A. 94-794, eff. 5-22-06.)

22 (320 ILCS 30/3) (from Ch. 67 1/2, par. 453)

23 Sec. 3. A taxpayer may, on or before March 1 of each year,
24 apply to the county collector of the county where his
25 qualifying property is located, or to the official designated

1 by a unit of local government to collect special assessments on
2 the qualifying property, as the case may be, for a deferral of
3 all or a part of real estate taxes payable during that year for
4 the preceding year in the case of real estate taxes other than
5 special assessments, or for a deferral of any installments
6 payable during that year in the case of special assessments, on
7 all or part of his qualifying property. The application shall
8 be on a form prescribed by the Department and furnished by the
9 collector, (a) showing that the applicant will be 65 years of
10 age or older by June 1 of the year for which a tax deferral is
11 claimed, (b) describing the property and verifying that the
12 property is qualifying property as defined in Section 2, (c)
13 certifying that the taxpayer has owned and occupied as his
14 residence such property or other qualifying property in the
15 State for at least the last 3 years except for any periods
16 during which the taxpayer may have temporarily resided in a
17 nursing or sheltered care home, and (d) specifying whether the
18 deferral is for all or a part of the taxes, and, if for a part,
19 the amount of deferral applied for. As to qualifying property
20 not having a separate assessed valuation, the taxpayer shall
21 also file with the county collector a written appraisal of the
22 property prepared by a qualified real estate appraiser together
23 with a certificate signed by the appraiser stating that he has
24 personally examined the property and setting forth the value of
25 the land and the value of the buildings thereon occupied by the
26 taxpayer as his residence.

1 The collector shall grant the tax deferral provided such
2 deferral does not exceed funds available in the Senior Citizens
3 Real Estate Deferred Tax Revolving Fund and provided that the
4 owner or owners of such real property have entered into a tax
5 deferral and recovery agreement with the collector on behalf of
6 the county or other unit of local government, which agreement
7 expressly states:

8 (1) That the total amount of taxes deferred under this Act,
9 plus interest, for the year for which a tax deferral is claimed
10 as well as for those previous years for which taxes are not
11 delinquent and for which such deferral has been claimed may not
12 exceed 80% of the taxpayer's equity interest in the property
13 for which taxes are to be deferred and that, if the total
14 deferred taxes plus interest equals 80% of the taxpayer's
15 equity interest in the property, the taxpayer shall thereafter
16 pay the annual interest due on such deferred taxes plus
17 interest so that total deferred taxes plus interest will not
18 exceed such 80% of the taxpayer's equity interest in the
19 property. Effective as of the January 1, 2011 assessment year
20 or tax year 2012 and thereafter, the total amount of any such
21 deferral shall not exceed \$5,000 per taxpayer in each tax year.

22 (2) That any real estate taxes deferred under this Act and
23 any interest accrued thereon at the rate of 6% per year are a
24 lien on the real estate and improvements thereon until paid. No
25 sale or transfer of such real property may be legally closed
26 and recorded until the taxes which would otherwise have been

1 due on the property, plus accrued interest, have been paid
2 unless the collector certifies in writing that an arrangement
3 for prompt payment of the amount due has been made with his
4 office. The same shall apply if the property is to be made the
5 subject of a contract of sale.

6 (3) That upon the death of the taxpayer claiming the
7 deferral the heirs-at-law, assignees or legatees shall have
8 first priority to the real property upon which taxes have been
9 deferred by paying in full the total taxes which would
10 otherwise have been due, plus interest. However, if such
11 heir-at-law, assignee, or legatee is a surviving spouse, the
12 tax deferred status of the property shall be continued during
13 the life of that surviving spouse if the spouse is 55 years of
14 age or older within 6 months of the date of death of the
15 taxpayer and enters into a tax deferral and recovery agreement
16 before the time when deferred taxes become due under this
17 Section. Any additional taxes deferred, plus interest, on the
18 real property under a tax deferral and recovery agreement
19 signed by a surviving spouse shall be added to the taxes and
20 interest which would otherwise have been due, and the payment
21 of which has been postponed during the life of such surviving
22 spouse, in determining the 80% equity requirement provided by
23 this Section.

24 (4) That if the taxes due, plus interest, are not paid by
25 the heir-at-law, assignee or legatee or if payment is not
26 postponed during the life of a surviving spouse, the deferred

1 taxes and interest shall be recovered from the estate of the
2 taxpayer within one year of the date of his death. In addition,
3 deferred real estate taxes and any interest accrued thereon are
4 due within 90 days after any tax deferred property ceases to be
5 qualifying property as defined in Section 2.

6 If payment is not made when required by this Section,
7 foreclosure proceedings may be instituted under the Property
8 Tax Code.

9 (5) That any joint owner has given written prior approval
10 for such agreement, which written approval shall be made a part
11 of such agreement.

12 (6) That a guardian for a person under legal disability
13 appointed for a taxpayer who otherwise qualifies under this Act
14 may act for the taxpayer in complying with this Act.

15 (7) That a taxpayer or his agent has provided to the
16 satisfaction of the collector, sufficient evidence that the
17 qualifying property on which the taxes are to be deferred is
18 insured against fire or casualty loss for at least the total
19 amount of taxes which have been deferred.

20 If the taxes to be deferred are special assessments, the
21 unit of local government making the assessments shall forward a
22 copy of the agreement entered into pursuant to this Section and
23 the bills for such assessments to the county collector of the
24 county in which the qualifying property is located.

25 (Source: P.A. 90-170, eff. 7-23-97; 91-357, eff. 7-29-99.)

26 Section 99. Effective date. This Act takes effect upon

1 becoming law.