



Rep. Michael J. Zalewski

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LRB097 15221 HLH 68820 a

1 AMENDMENT TO HOUSE BILL 4239

2 AMENDMENT NO. _____. Amend House Bill 4239 by replacing
3 everything after the enacting clause with the following:

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.

8 (a) Except as provided in Sections 15-176 and 15-177,
9 homestead property is entitled to an annual homestead exemption
10 limited, except as described here with relation to
11 cooperatives, to a reduction in the equalized assessed value of
12 homestead property equal to the increase in equalized assessed
13 value for the current assessment year above the equalized
14 assessed value of the property for 1977, up to the maximum
15 reduction set forth below. If however, the 1977 equalized
16 assessed value upon which taxes were paid is subsequently

1 determined by local assessing officials, the Property Tax
2 Appeal Board, or a court to have been excessive, the equalized
3 assessed value which should have been placed on the property
4 for 1977 shall be used to determine the amount of the
5 exemption.

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

23 (c) In counties with fewer than 3,000,000 inhabitants, if,
24 based on the most recent assessment, the equalized assessed
25 value of the homestead property for the current assessment year
26 is greater than the equalized assessed value of the property

1 for 1977, the owner of the property shall automatically receive
2 the exemption granted under this Section in an amount equal to
3 the increase over the 1977 assessment up to the maximum
4 reduction set forth in this Section.

5 (d) If in any assessment year beginning with the 2000
6 assessment year, homestead property has a pro-rata valuation
7 under Section 9-180 resulting in an increase in the assessed
8 valuation, a reduction in equalized assessed valuation equal to
9 the increase in equalized assessed value of the property for
10 the year of the pro-rata valuation above the equalized assessed
11 value of the property for 1977 shall be applied to the property
12 on a proportionate basis for the period the property qualified
13 as homestead property during the assessment year. The maximum
14 proportionate homestead exemption shall not exceed the maximum
15 homestead exemption allowed in the county under this Section
16 divided by 365 and multiplied by the number of days the
17 property qualified as homestead property.

18 (e) An exemption shall not be granted under this Section
19 for leasehold interests in property unless all of the following
20 conditions are met:

21 (1) a notarized application for the exemption is
22 submitted each year during the application period in effect
23 for the county in which the property is located;

24 (2) a copy of the lease is filed with the chief county
25 assessment officer by the owner of the property at the time
26 the notarized application is submitted;

1 (3) the lease expressly states that the lessee is
2 liable for the payment of property taxes; and

3 (4) the lease expressly states that the lessee is
4 required to pay the property taxes out of the lessee's own
5 funds.

6 If there is a change in lessee, or if the lessee vacates
7 the property, then the owner of the property shall notify the
8 chief county assessment officer within 30 days after the
9 effective date of that change.

10 The requirements of this subsection (e) do not apply to
11 leasehold interests in property owned by a municipality and
12 subject to a 99-year lease.

13 This subsection (e) is a limitation under subsection (i) of
14 Section 6 of Article VII of the Illinois Constitution on the
15 concurrent exercise by home rule units of powers and functions
16 exercised by the State.

17 (f) "Homestead property" under this Section includes
18 residential property that is occupied by its owner or owners as
19 his or their principal dwelling place, or that is a leasehold
20 interest on which a single family residence is situated, which
21 is occupied as a residence by a person who has an ownership
22 interest therein, legal or equitable or as a lessee, and on
23 which the person is liable for the payment of property taxes.
24 For land improved with an apartment building owned and operated
25 as a cooperative or a building which is a life care facility as
26 defined in Section 15-170 and considered to be a cooperative

1 under Section 15-170, the maximum reduction from the equalized
2 assessed value shall be limited to the increase in the value
3 above the equalized assessed value of the property for 1977, up
4 to the maximum reduction set forth above, multiplied by the
5 number of apartments or units occupied by a person or persons
6 who is liable, by contract with the owner or owners of record,
7 for paying property taxes on the property and is an owner of
8 record of a legal or equitable interest in the cooperative
9 apartment building, other than a leasehold interest. For
10 purposes of this Section, the term "life care facility" has the
11 meaning stated in Section 15-170.

12 "Household", as used in this Section, means the owner, the
13 spouse of the owner, and all persons using the residence of the
14 owner as their principal place of residence.

15 "Household income", as used in this Section, means the
16 combined income of the members of a household for the calendar
17 year preceding the taxable year.

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

22 (g) In a cooperative where a homestead exemption has been
23 granted, the cooperative association or its management firm
24 shall credit the savings resulting from that exemption only to
25 the apportioned tax liability of the owner who qualified for
26 the exemption. Any person who willfully refuses to so credit

1 the savings shall be guilty of a Class B misdemeanor.

2 (h) Where married persons maintain and reside in separate
3 residences qualifying as homestead property, each residence
4 shall receive 50% of the total reduction in equalized assessed
5 valuation provided by this Section.

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

24 (j) In counties with fewer than 3,000,000 inhabitants, in
25 the event of a sale of homestead property the homestead
26 exemption shall remain in effect for the remainder of the

1 assessment year of the sale. The assessor or chief county
2 assessment officer may require the new owner of the property to
3 apply for the homestead exemption for the following assessment
4 year.

5 (k) Notwithstanding Sections 6 and 8 of the State Mandates
6 Act, no reimbursement by the State is required for the
7 implementation of any mandate created by this Section.

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