



Rep. Michael J. Zalewski

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LRB097 15221 HLH 70097 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 Sections 15-175 and 21-205 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, signed by the owner of the
22 property and the lessee of the property, for the exemption
23 is submitted each year during the application period in
24 effect for the county in which the property is located;

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

1 the notarized application is submitted;

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

4 (4) the lease includes the following language in
5 substantially the following form:

6 "Lessee shall be liable for the payment of real
7 estate taxes with respect to the residence in
8 accordance with the terms and conditions of 35 ILCS
9 200/15-175. The permanent real estate index number for
10 the premises is (insert number), and, according to the
11 most recent property tax bill, the current amount of
12 real estate taxes associated with the premises is
13 (insert amount) per year. The parties agree that the
14 monthly rent set forth above shall be increased or
15 decreased pro rata (effective January 1 of each
16 calendar year) to reflect any increase or decrease in
17 real estate taxes. Lessee shall be deemed to be
18 satisfying Lessee's liability for the above mentioned
19 real estate taxes with the monthly rent payments as set
20 forth above (or increased or decreased as set forth
21 herein)."

22 If there is a change in lessee, or if the lessee vacates
23 the property, then the owner of the property shall notify the
24 chief county assessment officer within 30 days after the
25 effective date of that change.

26 The requirements of this subsection (e) do not apply to

1 leasehold interests in property owned by a municipality.

2 This subsection (e) is a limitation under subsection (i) of
3 Section 6 of Article VII of the Illinois Constitution on the
4 concurrent exercise by home rule units of powers and functions
5 exercised by the State.

6 (f) "Homestead property" under this Section includes
7 residential property that is occupied by its owner or owners as
8 his or their principal dwelling place, or that is a leasehold
9 interest on which a single family residence is situated, which
10 is occupied as a residence by a person who has an ownership
11 interest therein, legal or equitable or as a lessee, and on
12 which the person is liable for the payment of property taxes.
13 For land improved with an apartment building owned and operated
14 as a cooperative or a building which is a life care facility as
15 defined in Section 15-170 and considered to be a cooperative
16 under Section 15-170, the maximum reduction from the equalized
17 assessed value shall be limited to the increase in the value
18 above the equalized assessed value of the property for 1977, up
19 to the maximum reduction set forth above, multiplied by the
20 number of apartments or units occupied by a person or persons
21 who is liable, by contract with the owner or owners of record,
22 for paying property taxes on the property and is an owner of
23 record of a legal or equitable interest in the cooperative
24 apartment building, other than a leasehold interest. For
25 purposes of this Section, the term "life care facility" has the
26 meaning stated in Section 15-170.

1 "Household", as used in this Section, means the owner, the
2 spouse of the owner, and all persons using the residence of the
3 owner as their principal place of residence.

4 "Household income", as used in this Section, means the
5 combined income of the members of a household for the calendar
6 year preceding the taxable year.

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

11 (g) In a cooperative where a homestead exemption has been
12 granted, the cooperative association or its management firm
13 shall credit the savings resulting from that exemption only to
14 the apportioned tax liability of the owner who qualified for
15 the exemption. Any person who willfully refuses to so credit
16 the savings shall be guilty of a Class B misdemeanor.

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

21 (i) In all counties, the assessor or chief county
22 assessment officer may determine the eligibility of
23 residential property to receive the homestead exemption and the
24 amount of the exemption by application, visual inspection,
25 questionnaire or other reasonable methods. The determination
26 shall be made in accordance with guidelines established by the

1 Department, provided that the taxpayer applying for an
2 additional general exemption under this Section shall submit to
3 the chief county assessment officer an application with an
4 affidavit of the applicant's total household income, age,
5 marital status (and, if married, the name and address of the
6 applicant's spouse, if known), and principal dwelling place of
7 members of the household on January 1 of the taxable year. The
8 Department shall issue guidelines establishing a method for
9 verifying the accuracy of the affidavits filed by applicants
10 under this paragraph. The applications shall be clearly marked
11 as applications for the Additional General Homestead
12 Exemption.

13 (j) In counties with fewer than 3,000,000 inhabitants, in
14 the event of a sale of homestead property the homestead
15 exemption shall remain in effect for the remainder of the
16 assessment year of the sale. The assessor or chief county
17 assessment officer may require the new owner of the property to
18 apply for the homestead exemption for the following assessment
19 year.

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

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

24 (35 ILCS 200/21-205)

25 (Text of Section before amendment by P.A. 97-557)

1 Sec. 21-205. Tax sale procedures. The collector, in person
2 or by deputy, shall attend, on the day and in the place
3 specified in the notice for the sale of property for taxes, and
4 shall, between 9:00 a.m. and 4:00 p.m., or later at the
5 collector's discretion, proceed to offer for sale, separately
6 and in consecutive order, all property in the list on which the
7 taxes, special assessments, interest or costs have not been
8 paid. However, in any county with 3,000,000 or more
9 inhabitants, the offer for sale shall be made between 8:00 a.m.
10 and 8:00 p.m. The collector's office shall be kept open during
11 all hours in which the sale is in progress. The sale shall be
12 continued from day to day, until all property in the delinquent
13 list has been offered for sale. However, any city, village or
14 incorporated town interested in the collection of any tax or
15 special assessment, may, in default of bidders, withdraw from
16 collection the special assessment levied against any property
17 by the corporate authorities of the city, village or
18 incorporated town. In case of a withdrawal, there shall be no
19 sale of that property on account of the delinquent special
20 assessment thereon.

21 In every sale of property pursuant to the provisions of
22 this Code, the collector may employ any automated means that
23 the collector deems appropriate, provided that bidders are
24 required to personally attend the sale. The changes made by
25 this amendatory Act of the 94th General Assembly are
26 declarative of existing law.

1 (Source: P.A. 94-922, eff. 1-1-07.)

2 (Text of Section after amendment by P.A. 97-557)

3 Sec. 21-205. Tax sale procedures. The collector, in person
4 or by deputy, shall attend, on the day and in the place
5 specified in the notice for the sale of property for taxes, and
6 shall, between 9:00 a.m. and 4:00 p.m., or later at the
7 collector's discretion, proceed to offer for sale, separately
8 and in consecutive order, all property in the list on which the
9 taxes, special assessments, interest or costs have not been
10 paid. However, in any county with 3,000,000 or more
11 inhabitants, the offer for sale shall be made between 8:00 a.m.
12 and 8:00 p.m. The collector's office shall be kept open during
13 all hours in which the sale is in progress. The sale shall be
14 continued from day to day, until all property in the delinquent
15 list has been offered for sale. However, any city, village or
16 incorporated town interested in the collection of any tax or
17 special assessment, may, in default of bidders, withdraw from
18 collection the special assessment levied against any property
19 by the corporate authorities of the city, village or
20 incorporated town. In case of a withdrawal, there shall be no
21 sale of that property on account of the delinquent special
22 assessment thereon.

23 Until January 1, 2013 ~~the effective date of this amendatory~~
24 ~~Act of the 97th General Assembly~~, in every sale of property
25 pursuant to the provisions of this Code, the collector may

1 employ any automated means that the collector deems
2 appropriate. Beginning on January 1, 2013 ~~the effective date of~~
3 ~~this amendatory Act of the 97th General Assembly~~, either (i)
4 the collector shall employ an automated bidding system that is
5 programmed to accept the lowest redemption price bid by an
6 eligible tax purchaser, subject to the penalty percentage
7 limitation set forth in Section 21-215, or (ii) all tax sales
8 shall be digitally recorded with video and audio. All bidders
9 are required to personally attend the sale and, if automated
10 means are used, all hardware and software used with respect to
11 those automated means must be certified by the Department and
12 re-certified by the Department every 5 years. If the tax sales
13 are digitally recorded and no automated bidding system is used,
14 then the recordings shall be maintained by the collector for a
15 period of at least 3 years from the date of the tax sale. The
16 changes made by this amendatory Act of the 94th General
17 Assembly are declarative of existing law.

18 (Source: P.A. 97-557, eff. 7-1-12.)

19 Section 95. No acceleration or delay. Where this Act makes
20 changes in a statute that is represented in this Act by text
21 that is not yet or no longer in effect (for example, a Section
22 represented by multiple versions), the use of that text does
23 not accelerate or delay the taking effect of (i) the changes
24 made by this Act or (ii) provisions derived from any other
25 Public Act.

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.".