

1 AN ACT concerning local government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Counties Code is amended by changing Section
5 1-1001 as follows:

6 (55 ILCS 5/1-1001) (from Ch. 34, par. 1-1001)

7 Sec. 1-1001. Short title. This Act shall be known and may
8 be cited as the ~~the~~ Counties Code.

9 (Source: P.A. 86-962.)

10 Section 15. The Property Tax Code is amended by changing
11 Section 18-185 as follows:

12 (35 ILCS 200/18-185)

13 Sec. 18-185. Short title; definitions. This Division 5 may
14 be cited as the Property Tax Extension Limitation Law. As used
15 in this Division 5:

16 "Consumer Price Index" means the Consumer Price Index for
17 All Urban Consumers for all items published by the United
18 States Department of Labor.

19 "Extension limitation" means (a) the lesser of 5% or the
20 percentage increase in the Consumer Price Index during the
21 12-month calendar year preceding the levy year or (b) the rate

1 of increase approved by voters under Section 18-205.

2 "Affected county" means a county of 3,000,000 or more
3 inhabitants or a county contiguous to a county of 3,000,000 or
4 more inhabitants.

5 "Taxing district" has the same meaning provided in Section
6 1-150, except as otherwise provided in this Section. For the
7 1991 through 1994 levy years only, "taxing district" includes
8 only each non-home rule taxing district having the majority of
9 its 1990 equalized assessed value within any county or counties
10 contiguous to a county with 3,000,000 or more inhabitants.
11 Beginning with the 1995 levy year, "taxing district" includes
12 only each non-home rule taxing district subject to this Law
13 before the 1995 levy year and each non-home rule taxing
14 district not subject to this Law before the 1995 levy year
15 having the majority of its 1994 equalized assessed value in an
16 affected county or counties. Beginning with the levy year in
17 which this Law becomes applicable to a taxing district as
18 provided in Section 18-213, "taxing district" also includes
19 those taxing districts made subject to this Law as provided in
20 Section 18-213.

21 "Aggregate extension" for taxing districts to which this
22 Law applied before the 1995 levy year means the annual
23 corporate extension for the taxing district and those special
24 purpose extensions that are made annually for the taxing
25 district, excluding special purpose extensions: (a) made for
26 the taxing district to pay interest or principal on general

1 obligation bonds that were approved by referendum; (b) made for
2 any taxing district to pay interest or principal on general
3 obligation bonds issued before October 1, 1991; (c) made for
4 any taxing district to pay interest or principal on bonds
5 issued to refund or continue to refund those bonds issued
6 before October 1, 1991; (d) made for any taxing district to pay
7 interest or principal on bonds issued to refund or continue to
8 refund bonds issued after October 1, 1991 that were approved by
9 referendum; (e) made for any taxing district to pay interest or
10 principal on revenue bonds issued before October 1, 1991 for
11 payment of which a property tax levy or the full faith and
12 credit of the unit of local government is pledged; however, a
13 tax for the payment of interest or principal on those bonds
14 shall be made only after the governing body of the unit of
15 local government finds that all other sources for payment are
16 insufficient to make those payments; (f) made for payments
17 under a building commission lease when the lease payments are
18 for the retirement of bonds issued by the commission before
19 October 1, 1991, to pay for the building project; (g) made for
20 payments due under installment contracts entered into before
21 October 1, 1991; (h) made for payments of principal and
22 interest on bonds issued under the Metropolitan Water
23 Reclamation District Act to finance construction projects
24 initiated before October 1, 1991; (i) made for payments of
25 principal and interest on limited bonds, as defined in Section
26 3 of the Local Government Debt Reform Act, in an amount not to

1 exceed the debt service extension base less the amount in items
2 (b), (c), (e), and (h) of this definition for non-referendum
3 obligations, except obligations initially issued pursuant to
4 referendum; (j) made for payments of principal and interest on
5 bonds issued under Section 15 of the Local Government Debt
6 Reform Act; (k) made by a school district that participates in
7 the Special Education District of Lake County, created by
8 special education joint agreement under Section 10-22.31 of the
9 School Code, for payment of the school district's share of the
10 amounts required to be contributed by the Special Education
11 District of Lake County to the Illinois Municipal Retirement
12 Fund under Article 7 of the Illinois Pension Code; the amount
13 of any extension under this item (k) shall be certified by the
14 school district to the county clerk; (l) made to fund expenses
15 of providing joint recreational programs for the handicapped
16 under Section 5-8 of the Park District Code or Section 11-95-14
17 of the Illinois Municipal Code; (m) made for temporary
18 relocation loan repayment purposes pursuant to Sections 2-3.77
19 and 17-2.2d of the School Code; (n) made for payment of
20 principal and interest on any bonds issued under the authority
21 of Section 17-2.2d of the School Code; (o) made for
22 contributions to a firefighter's pension fund created under
23 Article 4 of the Illinois Pension Code, to the extent of the
24 amount certified under item (5) of Section 4-134 of the
25 Illinois Pension Code; and (p) made for road purposes in the
26 first year after a township assumes the rights, powers, duties,

1 assets, property, liabilities, obligations, and
2 responsibilities of a road district abolished under the
3 provisions of Section 6-133 of the Illinois Highway Code.

4 "Aggregate extension" for the taxing districts to which
5 this Law did not apply before the 1995 levy year (except taxing
6 districts subject to this Law in accordance with Section
7 18-213) means the annual corporate extension for the taxing
8 district and those special purpose extensions that are made
9 annually for the taxing district, excluding special purpose
10 extensions: (a) made for the taxing district to pay interest or
11 principal on general obligation bonds that were approved by
12 referendum; (b) made for any taxing district to pay interest or
13 principal on general obligation bonds issued before March 1,
14 1995; (c) made for any taxing district to pay interest or
15 principal on bonds issued to refund or continue to refund those
16 bonds issued before March 1, 1995; (d) made for any taxing
17 district to pay interest or principal on bonds issued to refund
18 or continue to refund bonds issued after March 1, 1995 that
19 were approved by referendum; (e) made for any taxing district
20 to pay interest or principal on revenue bonds issued before
21 March 1, 1995 for payment of which a property tax levy or the
22 full faith and credit of the unit of local government is
23 pledged; however, a tax for the payment of interest or
24 principal on those bonds shall be made only after the governing
25 body of the unit of local government finds that all other
26 sources for payment are insufficient to make those payments;

1 (f) made for payments under a building commission lease when
2 the lease payments are for the retirement of bonds issued by
3 the commission before March 1, 1995 to pay for the building
4 project; (g) made for payments due under installment contracts
5 entered into before March 1, 1995; (h) made for payments of
6 principal and interest on bonds issued under the Metropolitan
7 Water Reclamation District Act to finance construction
8 projects initiated before October 1, 1991; (h-4) made for
9 stormwater management purposes by the Metropolitan Water
10 Reclamation District of Greater Chicago under Section 12 of the
11 Metropolitan Water Reclamation District Act; (i) made for
12 payments of principal and interest on limited bonds, as defined
13 in Section 3 of the Local Government Debt Reform Act, in an
14 amount not to exceed the debt service extension base less the
15 amount in items (b), (c), and (e) of this definition for
16 non-referendum obligations, except obligations initially
17 issued pursuant to referendum and bonds described in subsection
18 (h) of this definition; (j) made for payments of principal and
19 interest on bonds issued under Section 15 of the Local
20 Government Debt Reform Act; (k) made for payments of principal
21 and interest on bonds authorized by Public Act 88-503 and
22 issued under Section 20a of the Chicago Park District Act for
23 aquarium or museum projects; (l) made for payments of principal
24 and interest on bonds authorized by Public Act 87-1191 or
25 93-601 and (i) issued pursuant to Section 21.2 of the Cook
26 County Forest Preserve District Act, (ii) issued under Section

1 42 of the Cook County Forest Preserve District Act for
2 zoological park projects, or (iii) issued under Section 44.1 of
3 the Cook County Forest Preserve District Act for botanical
4 gardens projects; (m) made pursuant to Section 34-53.5 of the
5 School Code, whether levied annually or not; (n) made to fund
6 expenses of providing joint recreational programs for the
7 handicapped under Section 5-8 of the Park District Code or
8 Section 11-95-14 of the Illinois Municipal Code; (o) made by
9 the Chicago Park District for recreational programs for the
10 handicapped under subsection (c) of Section 7.06 of the Chicago
11 Park District Act; (p) made for contributions to a
12 firefighter's pension fund created under Article 4 of the
13 Illinois Pension Code, to the extent of the amount certified
14 under item (5) of Section 4-134 of the Illinois Pension Code;
15 and (q) made by Ford Heights School District 169 under Section
16 17-9.02 of the School Code.

17 "Aggregate extension" for all taxing districts to which
18 this Law applies in accordance with Section 18-213, except for
19 those taxing districts subject to paragraph (2) of subsection
20 (e) of Section 18-213, means the annual corporate extension for
21 the taxing district and those special purpose extensions that
22 are made annually for the taxing district, excluding special
23 purpose extensions: (a) made for the taxing district to pay
24 interest or principal on general obligation bonds that were
25 approved by referendum; (b) made for any taxing district to pay
26 interest or principal on general obligation bonds issued before

1 the date on which the referendum making this Law applicable to
2 the taxing district is held; (c) made for any taxing district
3 to pay interest or principal on bonds issued to refund or
4 continue to refund those bonds issued before the date on which
5 the referendum making this Law applicable to the taxing
6 district is held; (d) made for any taxing district to pay
7 interest or principal on bonds issued to refund or continue to
8 refund bonds issued after the date on which the referendum
9 making this Law applicable to the taxing district is held if
10 the bonds were approved by referendum after the date on which
11 the referendum making this Law applicable to the taxing
12 district is held; (e) made for any taxing district to pay
13 interest or principal on revenue bonds issued before the date
14 on which the referendum making this Law applicable to the
15 taxing district is held for payment of which a property tax
16 levy or the full faith and credit of the unit of local
17 government is pledged; however, a tax for the payment of
18 interest or principal on those bonds shall be made only after
19 the governing body of the unit of local government finds that
20 all other sources for payment are insufficient to make those
21 payments; (f) made for payments under a building commission
22 lease when the lease payments are for the retirement of bonds
23 issued by the commission before the date on which the
24 referendum making this Law applicable to the taxing district is
25 held to pay for the building project; (g) made for payments due
26 under installment contracts entered into before the date on

1 which the referendum making this Law applicable to the taxing
2 district is held; (h) made for payments of principal and
3 interest on limited bonds, as defined in Section 3 of the Local
4 Government Debt Reform Act, in an amount not to exceed the debt
5 service extension base less the amount in items (b), (c), and
6 (e) of this definition for non-referendum obligations, except
7 obligations initially issued pursuant to referendum; (i) made
8 for payments of principal and interest on bonds issued under
9 Section 15 of the Local Government Debt Reform Act; (j) made
10 for a qualified airport authority to pay interest or principal
11 on general obligation bonds issued for the purpose of paying
12 obligations due under, or financing airport facilities
13 required to be acquired, constructed, installed or equipped
14 pursuant to, contracts entered into before March 1, 1996 (but
15 not including any amendments to such a contract taking effect
16 on or after that date); (k) made to fund expenses of providing
17 joint recreational programs for the handicapped under Section
18 5-8 of the Park District Code or Section 11-95-14 of the
19 Illinois Municipal Code; (l) made for contributions to a
20 firefighter's pension fund created under Article 4 of the
21 Illinois Pension Code, to the extent of the amount certified
22 under item (5) of Section 4-134 of the Illinois Pension Code;
23 and (m) made for the taxing district to pay interest or
24 principal on general obligation bonds issued pursuant to
25 Section 19-3.10 of the School Code.

26 "Aggregate extension" for all taxing districts to which

1 this Law applies in accordance with paragraph (2) of subsection
2 (e) of Section 18-213 means the annual corporate extension for
3 the taxing district and those special purpose extensions that
4 are made annually for the taxing district, excluding special
5 purpose extensions: (a) made for the taxing district to pay
6 interest or principal on general obligation bonds that were
7 approved by referendum; (b) made for any taxing district to pay
8 interest or principal on general obligation bonds issued before
9 the effective date of this amendatory Act of 1997; (c) made for
10 any taxing district to pay interest or principal on bonds
11 issued to refund or continue to refund those bonds issued
12 before the effective date of this amendatory Act of 1997; (d)
13 made for any taxing district to pay interest or principal on
14 bonds issued to refund or continue to refund bonds issued after
15 the effective date of this amendatory Act of 1997 if the bonds
16 were approved by referendum after the effective date of this
17 amendatory Act of 1997; (e) made for any taxing district to pay
18 interest or principal on revenue bonds issued before the
19 effective date of this amendatory Act of 1997 for payment of
20 which a property tax levy or the full faith and credit of the
21 unit of local government is pledged; however, a tax for the
22 payment of interest or principal on those bonds shall be made
23 only after the governing body of the unit of local government
24 finds that all other sources for payment are insufficient to
25 make those payments; (f) made for payments under a building
26 commission lease when the lease payments are for the retirement

1 of bonds issued by the commission before the effective date of
2 this amendatory Act of 1997 to pay for the building project;
3 (g) made for payments due under installment contracts entered
4 into before the effective date of this amendatory Act of 1997;
5 (h) made for payments of principal and interest on limited
6 bonds, as defined in Section 3 of the Local Government Debt
7 Reform Act, in an amount not to exceed the debt service
8 extension base less the amount in items (b), (c), and (e) of
9 this definition for non-referendum obligations, except
10 obligations initially issued pursuant to referendum; (i) made
11 for payments of principal and interest on bonds issued under
12 Section 15 of the Local Government Debt Reform Act; (j) made
13 for a qualified airport authority to pay interest or principal
14 on general obligation bonds issued for the purpose of paying
15 obligations due under, or financing airport facilities
16 required to be acquired, constructed, installed or equipped
17 pursuant to, contracts entered into before March 1, 1996 (but
18 not including any amendments to such a contract taking effect
19 on or after that date); (k) made to fund expenses of providing
20 joint recreational programs for the handicapped under Section
21 5-8 of the Park District Code or Section 11-95-14 of the
22 Illinois Municipal Code; and (l) made for contributions to a
23 firefighter's pension fund created under Article 4 of the
24 Illinois Pension Code, to the extent of the amount certified
25 under item (5) of Section 4-134 of the Illinois Pension Code.

26 "Debt service extension base" means an amount equal to that

1 portion of the extension for a taxing district for the 1994
2 levy year, or for those taxing districts subject to this Law in
3 accordance with Section 18-213, except for those subject to
4 paragraph (2) of subsection (e) of Section 18-213, for the levy
5 year in which the referendum making this Law applicable to the
6 taxing district is held, or for those taxing districts subject
7 to this Law in accordance with paragraph (2) of subsection (e)
8 of Section 18-213 for the 1996 levy year, constituting an
9 extension for payment of principal and interest on bonds issued
10 by the taxing district without referendum, but not including
11 excluded non-referendum bonds. For park districts (i) that were
12 first subject to this Law in 1991 or 1995 and (ii) whose
13 extension for the 1994 levy year for the payment of principal
14 and interest on bonds issued by the park district without
15 referendum (but not including excluded non-referendum bonds)
16 was less than 51% of the amount for the 1991 levy year
17 constituting an extension for payment of principal and interest
18 on bonds issued by the park district without referendum (but
19 not including excluded non-referendum bonds), "debt service
20 extension base" means an amount equal to that portion of the
21 extension for the 1991 levy year constituting an extension for
22 payment of principal and interest on bonds issued by the park
23 district without referendum (but not including excluded
24 non-referendum bonds). A debt service extension base
25 established or increased at any time pursuant to any provision
26 of this Law, except Section 18-212, shall be increased each

1 year commencing with the later of (i) the 2009 levy year or
2 (ii) the first levy year in which this Law becomes applicable
3 to the taxing district, by the lesser of 5% or the percentage
4 increase in the Consumer Price Index during the 12-month
5 calendar year preceding the levy year. The debt service
6 extension base may be established or increased as provided
7 under Section 18-212. "Excluded non-referendum bonds" means
8 (i) bonds authorized by Public Act 88-503 and issued under
9 Section 20a of the Chicago Park District Act for aquarium and
10 museum projects; (ii) bonds issued under Section 15 of the
11 Local Government Debt Reform Act; or (iii) refunding
12 obligations issued to refund or to continue to refund
13 obligations initially issued pursuant to referendum.

14 "Special purpose extensions" include, but are not limited
15 to, extensions for levies made on an annual basis for
16 unemployment and workers' compensation, self-insurance,
17 contributions to pension plans, and extensions made pursuant to
18 Section 6-601 of the Illinois Highway Code for a road
19 district's permanent road fund whether levied annually or not.
20 The extension for a special service area is not included in the
21 aggregate extension.

22 "Aggregate extension base" means the taxing district's
23 last preceding aggregate extension as adjusted under Sections
24 18-135, 18-215, and 18-230. An adjustment under Section 18-135
25 shall be made for the 2007 levy year and all subsequent levy
26 years whenever one or more counties within which a taxing

1 district is located (i) used estimated valuations or rates when
2 extending taxes in the taxing district for the last preceding
3 levy year that resulted in the over or under extension of
4 taxes, or (ii) increased or decreased the tax extension for the
5 last preceding levy year as required by Section 18-135(c).
6 Whenever an adjustment is required under Section 18-135, the
7 aggregate extension base of the taxing district shall be equal
8 to the amount that the aggregate extension of the taxing
9 district would have been for the last preceding levy year if
10 either or both (i) actual, rather than estimated, valuations or
11 rates had been used to calculate the extension of taxes for the
12 last levy year, or (ii) the tax extension for the last
13 preceding levy year had not been adjusted as required by
14 subsection (c) of Section 18-135.

15 Notwithstanding any other provision of law, for levy year
16 2012, the aggregate extension base for West Northfield School
17 District No. 31 in Cook County shall be \$12,654,592.

18 "Levy year" has the same meaning as "year" under Section
19 1-155.

20 "New property" means (i) the assessed value, after final
21 board of review or board of appeals action, of new improvements
22 or additions to existing improvements on any parcel of real
23 property that increase the assessed value of that real property
24 during the levy year multiplied by the equalization factor
25 issued by the Department under Section 17-30, (ii) the assessed
26 value, after final board of review or board of appeals action,

1 of real property not exempt from real estate taxation, which
2 real property was exempt from real estate taxation for any
3 portion of the immediately preceding levy year, multiplied by
4 the equalization factor issued by the Department under Section
5 17-30, including the assessed value, upon final stabilization
6 of occupancy after new construction is complete, of any real
7 property located within the boundaries of an otherwise or
8 previously exempt military reservation that is intended for
9 residential use and owned by or leased to a private corporation
10 or other entity, and (iii) in counties that classify in
11 accordance with Section 4 of Article IX of the Illinois
12 Constitution, an incentive property's additional assessed
13 value resulting from a scheduled increase in the level of
14 assessment as applied to the first year final board of review
15 market value. In addition, the county clerk in a county
16 containing a population of 3,000,000 or more shall include in
17 the 1997 recovered tax increment value for any school district,
18 any recovered tax increment value that was applicable to the
19 1995 tax year calculations.

20 "Qualified airport authority" means an airport authority
21 organized under the Airport Authorities Act and located in a
22 county bordering on the State of Wisconsin and having a
23 population in excess of 200,000 and not greater than 500,000.

24 "Recovered tax increment value" means, except as otherwise
25 provided in this paragraph, the amount of the current year's
26 equalized assessed value, in the first year after a

1 municipality terminates the designation of an area as a
2 redevelopment project area previously established under the
3 Tax Increment Allocation Development Act in the Illinois
4 Municipal Code, previously established under the Industrial
5 Jobs Recovery Law in the Illinois Municipal Code, previously
6 established under the Economic Development Project Area Tax
7 Increment Act of 1995, or previously established under the
8 Economic Development Area Tax Increment Allocation Act, of each
9 taxable lot, block, tract, or parcel of real property in the
10 redevelopment project area over and above the initial equalized
11 assessed value of each property in the redevelopment project
12 area. For the taxes which are extended for the 1997 levy year,
13 the recovered tax increment value for a non-home rule taxing
14 district that first became subject to this Law for the 1995
15 levy year because a majority of its 1994 equalized assessed
16 value was in an affected county or counties shall be increased
17 if a municipality terminated the designation of an area in 1993
18 as a redevelopment project area previously established under
19 the Tax Increment Allocation Development Act in the Illinois
20 Municipal Code, previously established under the Industrial
21 Jobs Recovery Law in the Illinois Municipal Code, or previously
22 established under the Economic Development Area Tax Increment
23 Allocation Act, by an amount equal to the 1994 equalized
24 assessed value of each taxable lot, block, tract, or parcel of
25 real property in the redevelopment project area over and above
26 the initial equalized assessed value of each property in the

1 redevelopment project area. In the first year after a
2 municipality removes a taxable lot, block, tract, or parcel of
3 real property from a redevelopment project area established
4 under the Tax Increment Allocation Development Act in the
5 Illinois Municipal Code, the Industrial Jobs Recovery Law in
6 the Illinois Municipal Code, or the Economic Development Area
7 Tax Increment Allocation Act, "recovered tax increment value"
8 means the amount of the current year's equalized assessed value
9 of each taxable lot, block, tract, or parcel of real property
10 removed from the redevelopment project area over and above the
11 initial equalized assessed value of that real property before
12 removal from the redevelopment project area.

13 Except as otherwise provided in this Section, "limiting
14 rate" means a fraction the numerator of which is the last
15 preceding aggregate extension base times an amount equal to one
16 plus the extension limitation defined in this Section and the
17 denominator of which is the current year's equalized assessed
18 value of all real property in the territory under the
19 jurisdiction of the taxing district during the prior levy year.
20 For those taxing districts that reduced their aggregate
21 extension for the last preceding levy year, the highest
22 aggregate extension in any of the last 3 preceding levy years
23 shall be used for the purpose of computing the limiting rate.
24 The denominator shall not include new property or the recovered
25 tax increment value. If a new rate, a rate decrease, or a
26 limiting rate increase has been approved at an election held

1 after March 21, 2006, then (i) the otherwise applicable
2 limiting rate shall be increased by the amount of the new rate
3 or shall be reduced by the amount of the rate decrease, as the
4 case may be, or (ii) in the case of a limiting rate increase,
5 the limiting rate shall be equal to the rate set forth in the
6 proposition approved by the voters for each of the years
7 specified in the proposition, after which the limiting rate of
8 the taxing district shall be calculated as otherwise provided.

9 (Source: P.A. 96-501, eff. 8-14-09; 96-517, eff. 8-14-09;
10 96-1000, eff. 7-2-10; 96-1202, eff. 7-22-10; 97-611, eff.
11 1-1-12.)

12 Section 99. Effective date. This Act takes effect upon
13 becoming law.