



Rep. Barbara Flynn Currie

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1 AMENDMENT TO HOUSE BILL 5761

2 AMENDMENT NO. _____. Amend House Bill 5761 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Property Tax Code is amended by changing
5 Sections 15-35, 15-55, 15-60, 15-100, and 15-103 as follows:

6 (35 ILCS 200/15-35)

7 Sec. 15-35. Schools. All property donated by the United
8 States for school purposes, and all property of schools, not
9 sold or leased or otherwise used with a view to profit, is
10 exempt, whether owned by a resident or non-resident of this
11 State or by a corporation incorporated in any state of the
12 United States. Also exempt is:

13 (a) property of schools which is leased to a
14 municipality to be used for municipal purposes on a
15 not-for-profit basis;

16 (b) property of schools on which the schools are

1 located and any other property of schools used by the
2 schools exclusively for school purposes, including, but
3 not limited to, student residence halls, dormitories and
4 other housing facilities for students and their spouses and
5 children, staff housing facilities, and school-owned and
6 operated dormitory or residence halls occupied in whole or
7 in part by students who belong to fraternities, sororities,
8 or other campus organizations;

9 (c) property donated, granted, received or used for
10 public school, college, theological seminary, university,
11 or other educational purposes, whether held in trust or
12 absolutely;

13 (d) in counties with more than 200,000 inhabitants
14 which classify property, property (including interests in
15 land and other facilities) on or adjacent to (even if
16 separated by a public street, alley, sidewalk, parkway or
17 other public way) the grounds of a school, if that property
18 is used by an academic, research or professional society,
19 institute, association or organization which serves the
20 advancement of learning in a field or fields of study
21 taught by the school and which property is not used with a
22 view to profit;

23 (e) property owned by a school district. The exemption
24 under this subsection is not affected by any transaction in
25 which, for the purpose of obtaining financing, the school
26 district, directly or indirectly, leases or otherwise

1 transfers the property to another for which or whom
2 property is not exempt and immediately after the lease or
3 transfer enters into a leaseback or other agreement that
4 directly or indirectly gives the school district a right to
5 use, control, and possess the property. In the case of a
6 conveyance of the property, the school district must retain
7 an option to purchase the property at a future date or,
8 within the limitations period for reverters, the property
9 must revert back to the school district.

10 (1) If the property has been conveyed as described
11 in this subsection, the property is no longer exempt
12 under this Section as of the date when:

13 (A) the right of the school district to use,
14 control, and possess the property is terminated;

15 (B) the school district no longer has an option
16 to purchase or otherwise acquire the property; and

17 (C) there is no provision for a reverter of the
18 property to the school district within the
19 limitations period for reverters.

20 (2) Pursuant to Sections 15-15 and 15-20 of this
21 Code, the school district shall notify the chief county
22 assessment officer of any transaction under this
23 subsection. The chief county assessment officer shall
24 determine initial and continuing compliance with the
25 requirements of this subsection for tax exemption.
26 Failure to notify the chief county assessment officer

1 of a transaction under this subsection or to otherwise
2 comply with the requirements of Sections 15-15 and
3 15-20 of this Code shall, in the discretion of the
4 chief county assessment officer, constitute cause to
5 terminate the exemption, notwithstanding any other
6 provision of this Code.

7 (3) No provision of this subsection shall be
8 construed to affect the obligation of the school
9 district to which an exemption certificate has been
10 issued under this Section from its obligation under
11 Section 15-10 of this Code to file an annual
12 certificate of status or to notify the chief county
13 assessment officer of transfers of interest or other
14 changes in the status of the property as required by
15 this Code.

16 (4) The changes made by this amendatory Act of the
17 91st General Assembly are declarative of existing law
18 and shall not be construed as a new enactment; ~~and~~

19 (e-5) notwithstanding any other provision of law,
20 property owned by a school district and leased to the
21 State, a unit of local government, or another school
22 district is exempt, and those leasehold interests are
23 exempt, from taxation under this Code or any other
24 provision of law; and

25 (f) in counties with more than 200,000 inhabitants
26 which classify property, property of a corporation, which

1 is an exempt entity under paragraph (3) of Section 501(c)
2 of the Internal Revenue Code or its successor law, used by
3 the corporation for the following purposes: (1) conducting
4 continuing education for professional development of
5 personnel in energy-related industries; (2) maintaining a
6 library of energy technology information available to
7 students and the public free of charge; and (3) conducting
8 research in energy and environment, which research results
9 could be ultimately accessible to persons involved in
10 education.

11 (Source: P.A. 91-513, eff. 8-13-99; 91-578, eff. 8-14-99;
12 92-16, eff. 6-28-01.)

13 (35 ILCS 200/15-55)

14 Sec. 15-55. State property.

15 (a) All property belonging to the State of Illinois is
16 exempt. However, the State agency holding title shall file the
17 certificate of ownership and use required by Section 15-10,
18 together with a copy of any written lease or agreement, in
19 effect on March 30 of the assessment year, concerning parcels
20 of 1 acre or more, or an explanation of the terms of any oral
21 agreement under which the property is leased, subleased or
22 rented.

23 The leased property shall be assessed to the lessee and the
24 taxes thereon extended and billed to the lessee, and collected
25 in the same manner as for property which is not exempt. The

1 lessee shall be liable for the taxes and no lien shall attach
2 to the property of the State.

3 For the purposes of this Section, the word "leases"
4 includes licenses, franchises, operating agreements and other
5 arrangements under which private individuals, associations or
6 corporations are granted the right to use property of the
7 Illinois State Toll Highway Authority and includes all property
8 of the Authority used by others without regard to the size of
9 the leased parcel.

10 (b) However, all property of every kind belonging to the
11 State of Illinois, which is or may hereafter be leased to the
12 Illinois Prairie Path Corporation, shall be exempt from all
13 assessments, taxation or collection, despite the making of any
14 such lease, if it is used for:

15 (1) conservation, nature trail or any other
16 charitable, scientific, educational or recreational
17 purposes with public benefit, including the preserving and
18 aiding in the preservation of natural areas, objects,
19 flora, fauna or biotic communities;

20 (2) the establishment of footpaths, trails and other
21 protected areas;

22 (3) the conservation of the proper use of natural
23 resources or the promotion of the study of plant and animal
24 communities and of other phases of ecology, natural history
25 and conservation;

26 (4) the promotion of education in the fields of nature,

1 preservation and conservation; or

2 (5) similar public recreational activities conducted
3 by the Illinois Prairie Path Corporation.

4 No lien shall attach to the property of the State. No tax
5 liability shall become the obligation of or be enforceable
6 against Illinois Prairie Path Corporation.

7 (c) If the State sells the James R. Thompson Center or the
8 Elgin Mental Health Center and surrounding land located at 750
9 S. State Street, Elgin, Illinois, as provided in subdivision
10 (a) (2) of Section 7.4 of the State Property Control Act, to
11 another entity whose property is not exempt and immediately
12 thereafter enters into a leaseback or other agreement that
13 directly or indirectly gives the State a right to use, control,
14 and possess the property, that portion of the property leased
15 and occupied exclusively by the State shall remain exempt under
16 this Section. For the property to remain exempt under this
17 subsection (c), the State must retain an option to purchase the
18 property at a future date or, within the limitations period for
19 reverters, the property must revert back to the State.

20 If the property has been conveyed as described in this
21 subsection (c), the property is no longer exempt pursuant to
22 this Section as of the date when:

23 (1) the right of the State to use, control, and possess
24 the property has been terminated; or

25 (2) the State no longer has an option to purchase or
26 otherwise acquire the property and there is no provision

1 for a reverter of the property to the State within the
2 limitations period for reverters.

3 Pursuant to Sections 15-15 and 15-20 of this Code, the
4 State shall notify the chief county assessment officer of any
5 transaction under this subsection (c). The chief county
6 assessment officer shall determine initial and continuing
7 compliance with the requirements of this Section for tax
8 exemption. Failure to notify the chief county assessment
9 officer of a transaction under this subsection (c) or to
10 otherwise comply with the requirements of Sections 15-15 and
11 15-20 of this Code shall, in the discretion of the chief county
12 assessment officer, constitute cause to terminate the
13 exemption, notwithstanding any other provision of this Code.

14 (c-1) If the Illinois State Toll Highway Authority sells
15 the Illinois State Toll Highway Authority headquarters
16 building and surrounding land, located at 2700 Ogden Avenue,
17 Downers Grove, Illinois as provided in subdivision (a)(2) of
18 Section 7.5 of the State Property Control Act, to another
19 entity whose property is not exempt and immediately thereafter
20 enters into a leaseback or other agreement that directly or
21 indirectly gives the State or the Illinois State Toll Highway
22 Authority a right to use, control, and possess the property,
23 that portion of the property leased and occupied exclusively by
24 the State or the Authority shall remain exempt under this
25 Section. For the property to remain exempt under this
26 subsection (c), the Authority must retain an option to purchase

1 the property at a future date or, within the limitations period
2 for reverters, the property must revert back to the Authority.

3 If the property has been conveyed as described in this
4 subsection (c), the property is no longer exempt pursuant to
5 this Section as of the date when:

6 (1) the right of the State or the Authority to use,
7 control, and possess the property has been terminated; or

8 (2) the Authority no longer has an option to purchase
9 or otherwise acquire the property and there is no provision
10 for a reverter of the property to the Authority within the
11 limitations period for reverters.

12 Pursuant to Sections 15-15 and 15-20 of this Code, the
13 Authority shall notify the chief county assessment officer of
14 any transaction under this subsection (c). The chief county
15 assessment officer shall determine initial and continuing
16 compliance with the requirements of this Section for tax
17 exemption. Failure to notify the chief county assessment
18 officer of a transaction under this subsection (c) or to
19 otherwise comply with the requirements of Sections 15-15 and
20 15-20 of this Code shall, in the discretion of the chief county
21 assessment officer, constitute cause to terminate the
22 exemption, notwithstanding any other provision of this Code.

23 (d) The fair market rent of each parcel of real property in
24 Will County owned by the State of Illinois for the purpose of
25 developing an airport by the Department of Transportation shall
26 include the assessed value of leasehold tax. The lessee of each

1 parcel of real property in Will County owned by the State of
2 Illinois for the purpose of developing an airport by the
3 Department of Transportation shall not be liable for the taxes
4 thereon. In order for the State to compensate taxing districts
5 for the leasehold tax under this paragraph the Will County
6 Supervisor of Assessments shall certify, in writing, to the
7 Department of Transportation, the amount of leasehold taxes
8 extended for the 2002 property tax year for each such exempt
9 parcel. The Department of Transportation shall pay to the Will
10 County Treasurer, from the Tax Recovery Fund, on or before July
11 1 of each year, the amount of leasehold taxes for each such
12 exempt parcel as certified by the Will County Supervisor of
13 Assessments. The tax compensation shall terminate on December
14 31, 2020. It is the duty of the Department of Transportation to
15 file with the Office of the Will County Supervisor of
16 Assessments an affidavit stating the termination date for
17 rental of each such parcel due to airport construction. The
18 affidavit shall include the property identification number for
19 each such parcel. In no instance shall tax compensation for
20 property owned by the State be deemed delinquent or bear
21 interest. In no instance shall a lien attach to the property of
22 the State. In no instance shall the State be required to pay
23 leasehold tax compensation in excess of the Tax Recovery Fund's
24 balance.

25 (e) Public Act 81-1026 applies to all leases or agreements
26 entered into or renewed on or after September 24, 1979.

1 (f) Notwithstanding anything to the contrary in this Code,
2 all property owned by the State that is the Illiana Expressway,
3 as defined in the Public Private Agreements for the Illiana
4 Expressway Act, and that is used for transportation purposes
5 and that is leased for those purposes to another entity whose
6 property is not exempt shall remain exempt, and any leasehold
7 interest in the property shall not be subject to taxation under
8 Section 9-195 of this Act.

9 (g) Notwithstanding anything to the contrary in this
10 Section, all property owned by the State or the Illinois State
11 Toll Highway Authority that is defined as a transportation
12 project under the Public-Private Partnerships for
13 Transportation Act and that is used for transportation purposes
14 and that is leased for those purposes to another entity whose
15 property is not exempt shall remain exempt, and any leasehold
16 interest in the property shall not be subject to taxation under
17 Section 9-195 of this Act.

18 (h) Notwithstanding any other provision of law, property
19 that is owned by the State and leased to a unit of local
20 government or a school district is exempt, and those leasehold
21 interests are exempt, from taxation under this Code or any
22 other provision of law.

23 (Source: P.A. 96-192, eff. 8-10-09; 96-913, eff. 6-9-10;
24 97-502, eff. 8-23-11.)

1 Sec. 15-60. Taxing district property. All property
2 belonging to any county or municipality used exclusively for
3 the maintenance of the poor is exempt, as is all property owned
4 by a taxing district that is being held for future expansion or
5 development, except if leased by the taxing district to lessees
6 for use for other than public purposes.

7 Also exempt are:

8 (a) all swamp or overflowed lands belonging to any
9 county;

10 (b) all public buildings belonging to any county,
11 township, or municipality, with the ground on which the
12 buildings are erected;

13 (c) all property owned by any municipality located
14 within its incorporated limits. Any such property leased by
15 a municipality shall remain exempt, and the leasehold
16 interest of the lessee shall be assessed under Section
17 9-195 of this Act, (i) for a lease entered into on or after
18 January 1, 1994, unless the lease expressly provides that
19 this exemption shall not apply; (ii) for a lease entered
20 into on or after the effective date of Public Act 87-1280
21 and before January 1, 1994, unless the lease expressly
22 provides that this exemption shall not apply or unless
23 evidence other than the lease itself substantiates the
24 intent of the parties to the lease that this exemption
25 shall not apply; and (iii) for a lease entered into before
26 the effective date of Public Act 87-1280, if the terms of

1 the lease do not bind the lessee to pay the taxes on the
2 leased property or if, notwithstanding the terms of the
3 lease, the municipality has filed or hereafter files a
4 timely exemption petition or complaint with respect to
5 property consisting of or including the leased property for
6 an assessment year which includes part or all of the first
7 12 months of the lease period. The foregoing clause (iii)
8 added by Public Act 87-1280 shall not operate to exempt
9 property for any assessment year as to which no timely
10 exemption petition or complaint has been filed by the
11 municipality or as to which an administrative or court
12 decision denying exemption has become final and
13 nonappealable. For each assessment year or portion thereof
14 that property is made exempt by operation of the foregoing
15 clause (iii), whether such year or portion is before or
16 after the effective date of Public Act 87-1280, the
17 leasehold interest of the lessee shall, if necessary, be
18 considered omitted property for purposes of this Act;

19 (c-5) Notwithstanding clause (i) of subsection (c),
20 all property owned by a municipality with a population of
21 over 500,000 that is used for toll road or toll bridge
22 purposes and that is leased for those purposes to another
23 entity whose property is not exempt shall remain exempt,
24 and any leasehold interest in the property shall not be
25 subject to taxation under Section 9-195 of this Act;

26 (d) all property owned by any municipality located

1 outside its incorporated limits but within the same county
2 when used as a tuberculosis sanitarium, farm colony in
3 connection with a house of correction, or nursery, garden,
4 or farm, or for the growing of shrubs, trees, flowers,
5 vegetables, and plants for use in beautifying,
6 maintaining, and operating playgrounds, parks, parkways,
7 public grounds, buildings, and institutions owned or
8 controlled by the municipality; ~~and~~

9 (e) all property owned by a township and operated as
10 senior citizen housing under Sections 35-50 through
11 35-50.6 of the Township Code; and -

12 (f) all property owned by the Executive Board of the
13 Mutual Aid Box Alarm System (MABAS), a unit of
14 intergovernmental cooperation, that is used for the public
15 purpose of disaster preparedness and response for units of
16 local government and the State of Illinois pursuant to
17 Section 10 of Article VII of the Illinois Constitution and
18 the Intergovernmental Cooperation Act.

19 All property owned by any municipality outside of its
20 corporate limits is exempt if used exclusively for municipal or
21 public purposes.

22 Notwithstanding any other provision of law, property that
23 is owned by a unit of local government and leased to the State,
24 another unit of local government, or a school district is
25 exempt, and those leasehold interests are exempt, from taxation
26 under this Code or any other provision of law.

1 For purposes of this Section, "municipality" means a
2 municipality, as defined in Section 1-1-2 of the Illinois
3 Municipal Code.

4 (Source: P.A. 92-844, eff. 8-23-02; 92-846, eff. 8-23-02.)

5 (35 ILCS 200/15-100)

6 Sec. 15-100. Public transportation systems.

7 (a) All property belonging to any municipal corporation
8 created for the sole purpose of owning and operating a
9 transportation system for public service is exempt.

10 (b) Property owned by (i) a municipal corporation of
11 500,000 or more inhabitants, used for public transportation
12 purposes, and operated by the Chicago Transit Authority; (ii)
13 the Regional Transportation Authority; (iii) any service board
14 or division of the Regional Transportation Authority; (iv) the
15 Northeast Illinois Regional Commuter Railroad Corporation; or
16 (v) the Chicago Transit Authority shall be exempt. For purposes
17 of this Section alone, the Regional Transportation Authority,
18 any service board or division of the Regional Transportation
19 Authority, the Northeast Illinois Regional Commuter Railroad
20 Corporation, the Chicago Transit Authority, or a municipal
21 corporation, as defined in item (i), shall be deemed an
22 "eligible transportation authority". The exemption provided in
23 this subsection shall not be affected by any transaction in
24 which, for the purpose of obtaining financing, the eligible
25 transportation authority, directly or indirectly, leases or

1 otherwise transfers such property to another whose property is
2 not exempt and immediately thereafter enters into a leaseback
3 or other agreement that directly or indirectly gives the
4 eligible transportation authority a right to use, control, and
5 possess the property. In the case of a conveyance of such
6 property, the eligible transportation authority must retain an
7 option to purchase the property at a future date or, within the
8 limitations period for reverters, the property must revert back
9 to the eligible transportation authority.

10 (c) If such property has been conveyed as described in
11 subsection (b), the property will no longer be exempt pursuant
12 to this Section as of the date when:

13 (1) the right of the eligible transportation authority
14 to use, control, and possess the property has been
15 terminated;

16 (2) the eligible transportation authority no longer
17 has an option to purchase or otherwise acquire the
18 property; and

19 (3) there is no provision for a reverter of the
20 property to the eligible transportation authority within
21 the limitations period for reverters.

22 (d) Pursuant to Sections 15-15 and 15-20 of this Code, the
23 eligible transportation authority shall notify the chief
24 county assessment officer of any transaction under subsection
25 (b) of this Section. The chief county assessment officer shall
26 determine initial and continuing compliance with the

1 requirements of this Section for tax exemption. Failure to
2 notify the chief county assessment officer of a transaction
3 under this Section or to otherwise comply with the requirements
4 of Sections 15-15 and 15-20 of this Code shall, in the
5 discretion of the chief county assessment officer, constitute
6 cause to terminate the exemption, notwithstanding any other
7 provision of this Code.

8 (d-5) Notwithstanding any other provision of law, if
9 property that is described in subsection (a) or (b) of this
10 Section is leased to the State, a unit of local government, or
11 a school district, then that property is exempt, and those
12 leasehold interests are exempt, from taxation under this Code
13 or any other provision of law.

14 (e) No provision of this Section shall be construed to
15 affect the obligation of the eligible transportation authority
16 to which an exemption certificate has been issued under this
17 Section from its obligation under Section 15-10 of this Code to
18 file an annual certificate of status or to notify the chief
19 county assessment officer of transfers of interest or other
20 changes in the status of the property as required by this Code.

21 (f) The changes made by this amendatory Act of 1997 are
22 declarative of existing law and shall not be construed as a new
23 enactment.

24 (Source: P.A. 90-562, eff. 12-16-97.)

1 Sec. 15-103. Bi-State Development Agency.

2 (a) Property owned by the Bi-State Development Agency of
3 the Missouri-Illinois Metropolitan District is exempt.

4 (b) The exemption under this Section is not affected by any
5 transaction in which, for the purpose of obtaining financing,
6 the Agency, directly or indirectly, leases or otherwise
7 transfers the property to another for which or whom property is
8 not exempt and immediately after the lease or transfer enters
9 into a leaseback or other agreement that directly or indirectly
10 gives the Agency a right to use, control, and possess the
11 property. In the case of a conveyance of the property, the
12 Agency must retain an option to purchase the property at a
13 future date or, within the limitations period for reverters,
14 the property must revert back to the Agency.

15 (c) If the property has been conveyed as described in
16 subsection (b), the property is no longer exempt under this
17 Section as of the date when:

18 (1) the right of the Agency to use, control, and
19 possess the property is terminated;

20 (2) the Agency no longer has an option to purchase or
21 otherwise acquire the property; and

22 (3) there is no provision for a reverter of the
23 property to the Agency within the limitations period for
24 reverters.

25 (d) Pursuant to Sections 15-15 and 15-20 of this Code, the
26 Agency shall notify the chief county assessment officer of any

1 transaction under subsection (b). The chief county assessment
2 officer shall determine initial and continuing compliance with
3 the requirements of this Section for tax exemption. Failure to
4 notify the chief county assessment officer of a transaction
5 under this Section or to otherwise comply with the requirements
6 of Sections 15-15 and 15-20 of this Code shall, in the
7 discretion of the chief county assessment officer, constitute
8 cause to terminate the exemption, notwithstanding any other
9 provision of this Code.

10 (d-5) Notwithstanding any other provision of law, property
11 that is owned by the Bi-State Development Agency of the
12 Missouri-Illinois Metropolitan District and leased to the
13 State, another unit of local government, or a school district
14 is exempt, and those leasehold interests are exempt, from
15 taxation under this Code or any other provision of law.

16 (e) No provision of this Section shall be construed to
17 affect the obligation of the Agency under Section 15-10 of this
18 Code to file an annual certificate of status or to notify the
19 chief county assessment officer of transfers of interest or
20 other changes in the status of the property as required by this
21 Code.

22 (Source: P.A. 91-513, eff. 8-13-99.)".