

SB0002



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

SB0002

Introduced 1/13/2011, by Sen. William Delgado

SYNOPSIS AS INTRODUCED:

30 ILCS 105/5.786 new
30 ILCS 105/6z-85 new
35 ILCS 5/208
35 ILCS 5/517 new

from Ch. 120, par. 2-208

Amends the State Finance Act. Creates the Property Tax Rebate Trust Fund. Provides that moneys in the Fund shall be used to pay rebates to taxpayers who file an individual income tax return for a taxable year beginning in the previous calendar year and are responsible for paying real property taxes on a principal residence located in the State. Provides that \$64,583,333 shall be transferred from the General Revenue Fund into the Property Tax Rebate Trust Fund each month. Amends the Illinois Income Tax Act. Provides that the credit for residential real property taxes sunsets on December 31, 2010. Effective immediately.

LRB097 05711 HLH 45775 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

A BILL FOR

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 5. The State Finance Act is amended by adding
5 Sections 5.786 and 6z-85 as follows:

6 (30 ILCS 105/5.786 new)

7 Sec. 5.786. The Property Tax Rebate Trust Fund.

8 (30 ILCS 105/6z-85 new)

9 Sec. 6z-85. The Property Tax Rebate Trust Fund; uses.

10 (a) The Property Tax Rebate Trust Fund is hereby created as
11 a special fund in the State treasury. Moneys in the Fund shall
12 be used to pay rebates as provided in this Section. Beginning
13 in 2012, as soon as practical after July 15 of each year, the
14 Department of Revenue shall pay a rebate to each taxpayer who
15 files, no later than April 15 of that year, an individual
16 income tax return in the State for a taxable year beginning in
17 the previous calendar year and was responsible for paying real
18 property taxes on his or her principal residence located in the
19 State during the taxable year. Persons filing a joint return
20 shall be treated as one taxpayer, and only one rebate may be
21 issued per residence each year. The amount of the property tax
22 rebate shall be equal to the balance of the Property Tax Rebate

1 Trust Fund as of July 1 of the calendar year divided by the
2 number of eligible taxpayers, rounded to the next lowest dollar
3 amount. The Department of Revenue shall certify the name of
4 each taxpayer who is eligible for a rebate under this Section.
5 The State Comptroller shall mail the rebate warrants to these
6 taxpayers as soon as practical after receipt of the
7 certification from the Department of Revenue. The Comptroller
8 shall include a notice with the rebate warrant advising the
9 taxpayer that the rebate is being provided as a result of the
10 Taxpayer Accountability and Budget Stabilization Act passed by
11 the General Assembly and signed into law by the Governor.

12 (b) Any rebate payment that is returned or otherwise is not
13 cashed shall be redeposited into the Fund.

14 (c) Beginning on July 1, 2011, the State Comptroller shall
15 order transferred and the State Treasurer shall transfer
16 \$64,583,333 from the General Revenue Fund into the Property Tax
17 Rebate Trust Fund each month.

18 Section 10. The Illinois Income Tax Act is amended by
19 changing Section 208 and by adding Section 517 as follows:

20 (35 ILCS 5/208) (from Ch. 120, par. 2-208)

21 Sec. 208. Tax credit for residential real property taxes.
22 For ~~Beginning with~~ tax years ending on or after December 31,
23 1991 and ending on or before December 31, 2010, every
24 individual taxpayer shall be entitled to a tax credit equal to

1 5% of real property taxes paid by such taxpayer during the
2 taxable year on the principal residence of the taxpayer. In the
3 case of multi-unit or multi-use structures and farm dwellings,
4 the taxes on the taxpayer's principal residence shall be that
5 portion of the total taxes which is attributable to such
6 principal residence.

7 (Source: P.A. 87-17.)

8 (35 ILCS 5/517 new)

9 Sec. 517. Property tax rebate information. For taxable
10 years beginning on or after January 1, 2011, for the purposes
11 of making distributions from the Property Tax Rebate Trust
12 Fund, the Department shall print on its standard individual
13 income tax form a provision allowing the taxpayer to indicate
14 whether (i) he or she was responsible for paying real property
15 taxes on his or her principal residence located in the State
16 during the taxable year and (ii) he or she is the only person
17 claiming a rebate for that residence. The Department shall
18 develop a schedule to be attached to the individual income tax
19 form for the purpose of verifying the taxpayer's property tax
20 liability.

21 Section 99. Effective date. This Act takes effect upon
22 becoming law.