

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 Property Tax Code is amended by changing
5 Sections 15-165, 15-167, 15-169, and 15-175 as follows:

6 (35 ILCS 200/15-165)

7 Sec. 15-165. Disabled veterans. Property up to an assessed
8 value of \$70,000, owned and used exclusively by a disabled
9 veteran, or the spouse or unmarried surviving spouse of the
10 veteran, as a home, is exempt. As used in this Section, a
11 disabled veteran means a person who has served in the Armed
12 Forces of the United States and whose disability is of such a
13 nature that the Federal Government has authorized payment for
14 purchase or construction of Specially Adapted Housing as set
15 forth in the United States Code, Title 38, Chapter 21, Section
16 2101.

17 The exemption applies to housing where Federal funds have
18 been used to purchase or construct special adaptations to suit
19 the veteran's disability.

20 The exemption also applies to housing that is specially
21 adapted to suit the veteran's disability, and purchased
22 entirely or in part by the proceeds of a sale, casualty loss
23 reimbursement, or other transfer of a home for which the

1 Federal Government had previously authorized payment for
2 purchase or construction as Specially Adapted Housing.

3 However, the entire proceeds of the sale, casualty loss
4 reimbursement, or other transfer of that housing shall be
5 applied to the acquisition of subsequent specially adapted
6 housing to the extent that the proceeds equal the purchase
7 price of the subsequently acquired housing.

8 Beginning with assessment year 2011, for taxes payable in
9 2012, property that is first occupied as a residence after
10 January 1 of any assessment year by a person who is eligible
11 for the homestead exemption under this Section must be granted
12 a pro-rata exemption for the assessment year. The amount of the
13 pro-rata exemption is the exemption allowed in the county under
14 this Section divided by 365 and multiplied by the number of
15 days during the assessment year the property is occupied as a
16 residence by a person eligible for the exemption under this
17 Section. The chief county assessment officer must adopt
18 reasonable procedures to establish eligibility for this
19 pro-rata exemption.

20 In a cooperative or a life care facility where a homestead
21 exemption has been granted, the cooperative association or the
22 management firm of the cooperative or facility shall credit the
23 savings resulting from that exemption only to the apportioned
24 tax liability of the owner or resident who qualified for the
25 exemption. Any person who willfully refuses to so credit the
26 savings shall be guilty of a Class B misdemeanor.

1 A person who becomes eligible during the taxable year is
2 eligible to apply for this homestead exemption during that
3 taxable year. Application must be made during the application
4 period in effect for the county of his or her residence.

5 If a homestead exemption has been granted under this
6 Section and the person awarded the exemption subsequently
7 becomes a resident of a facility licensed under the Nursing
8 Home Care Act or the MR/DD Community Care Act, then the
9 exemption shall continue (i) so long as the residence continues
10 to be occupied by the qualifying person's spouse or (ii) if the
11 residence remains unoccupied but is still owned by the person
12 qualified for the homestead exemption.

13 For purposes of this Section, "unmarried surviving spouse"
14 means the surviving spouse of the veteran at any time after the
15 death of the veteran during which such surviving spouse is not
16 married.

17 This exemption must be reestablished on an annual basis by
18 certification from the Illinois Department of Veterans'
19 Affairs to the Department, which shall forward a copy of the
20 certification to local assessing officials.

21 A taxpayer who claims an exemption under Section 15-168 or
22 15-169 may not claim an exemption under this Section.

23 (Source: P.A. 94-310, eff. 7-25-05; 95-644, eff. 10-12-07.)

24 (35 ILCS 200/15-167)

25 Sec. 15-167. Returning Veterans' Homestead Exemption.

1 (a) Beginning with taxable year 2007, a homestead
2 exemption, limited to a reduction set forth under subsection
3 (b), from the property's value, as equalized or assessed by the
4 Department, is granted for property that is owned and occupied
5 as the principal residence of a veteran returning from an armed
6 conflict involving the armed forces of the United States who is
7 liable for paying real estate taxes on the property and is an
8 owner of record of the property or has a legal or equitable
9 interest therein as evidenced by a written instrument, except
10 for a leasehold interest, other than a leasehold interest of
11 land on which a single family residence is located, which is
12 occupied as the principal residence of a veteran returning from
13 an armed conflict involving the armed forces of the United
14 States who has an ownership interest therein, legal, equitable
15 or as a lessee, and on which he or she is liable for the payment
16 of property taxes. For purposes of the exemption under this
17 Section, "veteran" means an Illinois resident who has served as
18 a member of the United States Armed Forces, a member of the
19 Illinois National Guard, or a member of the United States
20 Reserve Forces.

21 (b) In all counties, the reduction is \$5,000 for the
22 taxable year in which the veteran returns from active duty in
23 an armed conflict involving the armed forces of the United
24 States; however, if the veteran first acquires his or her
25 principal residence during the taxable year in which he or she
26 returns, but after January 1 of that year, and if the property

1 is owned and occupied by the veteran as a principal residence
2 on January 1 of the next taxable year, he or she may apply the
3 exemption for the next taxable year, ~~and only the next taxable~~
4 ~~year,~~ after he or she returns. Beginning in taxable year 2010,
5 the reduction shall also be allowed for the taxable year after
6 the taxable year in which the veteran returns from active duty
7 in an armed conflict involving the armed forces of the United
8 States. For land improved with an apartment building owned and
9 operated as a cooperative, the maximum reduction from the value
10 of the property, as equalized by the Department, must be
11 multiplied by the number of apartments or units occupied by a
12 veteran returning from an armed conflict involving the armed
13 forces of the United States who is liable, by contract with the
14 owner or owners of record, for paying property taxes on the
15 property and is an owner of record of a legal or equitable
16 interest in the cooperative apartment building, other than a
17 leasehold interest. In a cooperative where a homestead
18 exemption has been granted, the cooperative association or the
19 management firm of the cooperative or facility shall credit the
20 savings resulting from that exemption only to the apportioned
21 tax liability of the owner or resident who qualified for the
22 exemption. Any person who willfully refuses to so credit the
23 savings is guilty of a Class B misdemeanor.

24 Beginning with assessment year 2011, for taxes payable in
25 2012, property that is first occupied as a residence after
26 January 1 of any assessment year by a person who is eligible

1 for the homestead exemption under this Section must be granted
2 a pro-rata exemption for the assessment year. The amount of the
3 pro-rata exemption is the exemption allowed in the county under
4 this Section divided by 365 and multiplied by the number of
5 days during the assessment year the property is occupied as a
6 residence by a person eligible for the exemption under this
7 Section. The chief county assessment officer must adopt
8 reasonable procedures to establish eligibility for this
9 pro-rata exemption.

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

17 (c) A person who becomes eligible during the taxable year
18 is eligible to apply for this homestead exemption during that
19 taxable year. Application must be made during the application
20 period in effect for the county of his or her residence. The
21 assessor or chief county assessment officer may determine the
22 eligibility of residential property to receive the homestead
23 exemption provided by this Section by application, visual
24 inspection, questionnaire, or other reasonable methods. The
25 determination must be made in accordance with guidelines
26 established by the Department.

1 (c-5) If a homestead exemption has been granted under this
2 Section and the person awarded the exemption is or becomes a
3 resident of a facility licensed under the Nursing Home Care Act
4 or the MR/DD Community Care Act during any taxable year in
5 which an exemption under this Section is awarded, then the
6 exemption shall remain in effect for that taxable year if (i)
7 the residence continues to be occupied by the qualifying
8 person's spouse or (ii) the residence remains unoccupied but is
9 still owned by the person qualified for the homestead
10 exemption.

11 (d) The exemption under this Section is in addition to any
12 other homestead exemption provided in this Article 15.
13 Notwithstanding Sections 6 and 8 of the State Mandates Act, no
14 reimbursement by the State is required for the implementation
15 of any mandate created by this Section.

16 (Source: P.A. 95-644, eff. 10-12-07; 96-1288, eff. 7-26-10;
17 96-1418, eff. 8-2-10; revised 9-2-10.)

18 (35 ILCS 200/15-169)

19 Sec. 15-169. Disabled veterans standard homestead
20 exemption.

21 (a) Beginning with taxable year 2007, an annual homestead
22 exemption, limited to the amounts set forth in subsection (b),
23 is granted for property that is used as a qualified residence
24 by a disabled veteran.

25 (b) The amount of the exemption under this Section is as

1 follows:

2 (1) for veterans with a service-connected disability
3 of at least (i) 75% for exemptions granted in taxable years
4 2007 through 2009 and (ii) 70% for exemptions granted in
5 taxable year 2010 and each taxable year thereafter, as
6 certified by the United States Department of Veterans
7 Affairs, the annual exemption is \$5,000; and

8 (2) for veterans with a service-connected disability
9 of at least 50%, but less than (i) 75% for exemptions
10 granted in taxable years 2007 through 2009 and (ii) 70% for
11 exemptions granted in taxable year 2010 and each taxable
12 year thereafter, as certified by the United States
13 Department of Veterans Affairs, the annual exemption is
14 \$2,500.

15 (b-5) If a homestead exemption is granted under this
16 Section and the person awarded the exemption subsequently
17 becomes a resident of a facility licensed under the Nursing
18 Home Care Act, the MR/DD Community Care Act, or a facility
19 operated by the United States Department of Veterans Affairs,
20 then the exemption shall continue (i) so long as the residence
21 continues to be occupied by the qualifying person's spouse or
22 (ii) if the residence remains unoccupied but is still owned by
23 the person who qualified for the homestead exemption.

24 (c) The tax exemption under this Section carries over to
25 the benefit of the veteran's surviving spouse as long as the
26 spouse holds the legal or beneficial title to the homestead,

1 permanently resides thereon, and does not remarry. If the
2 surviving spouse sells the property, an exemption not to exceed
3 the amount granted from the most recent ad valorem tax roll may
4 be transferred to his or her new residence as long as it is
5 used as his or her primary residence and he or she does not
6 remarry.

7 (d) The exemption under this Section applies for taxable
8 year 2007 and thereafter. A taxpayer who claims an exemption
9 under Section 15-165 or 15-168 may not claim an exemption under
10 this Section.

11 (e) Each taxpayer who has been granted an exemption under
12 this Section must reapply on an annual basis. A person who
13 becomes eligible during the taxable year is eligible to apply
14 for this homestead exemption during that taxable year.
15 Application must be made during the application period in
16 effect for the county of his or her residence. The assessor or
17 chief county assessment officer may determine the eligibility
18 of residential property to receive the homestead exemption
19 provided by this Section by application, visual inspection,
20 questionnaire, or other reasonable methods. The determination
21 must be made in accordance with guidelines established by the
22 Department.

23 Beginning with assessment year 2011, for taxes payable in
24 2012, property that is first occupied as a residence after
25 January 1 of any assessment year by a person who is eligible
26 for the homestead exemption under this Section must be granted

1 a pro-rata exemption for the assessment year. The amount of the
2 pro-rata exemption is the exemption allowed in the county under
3 this Section divided by 365 and multiplied by the number of
4 days during the assessment year the property is occupied as a
5 residence by a person eligible for the exemption under this
6 Section. The chief county assessment officer must adopt
7 reasonable procedures to establish eligibility for this
8 pro-rata exemption.

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

16 (f) For the purposes of this Section:

17 "Qualified residence" means real property, but less any
18 portion of that property that is used for commercial purposes,
19 with an equalized assessed value of less than \$250,000 that is
20 the disabled veteran's primary residence. Property rented for
21 more than 6 months is presumed to be used for commercial
22 purposes.

23 "Veteran" means an Illinois resident who has served as a
24 member of the United States Armed Forces on active duty or
25 State active duty, a member of the Illinois National Guard, or
26 a member of the United States Reserve Forces and who has

1 received an honorable discharge.

2 (Source: P.A. 95-644, eff. 10-12-07; 96-1298, eff. 1-1-11;
3 96-1418, eff. 8-2-10; revised 9-2-10.)

4 (35 ILCS 200/15-175)

5 Sec. 15-175. General homestead exemption. Except as
6 provided in Sections 15-176 and 15-177, homestead property is
7 entitled to an annual homestead exemption limited, except as
8 described here with relation to cooperatives, to a reduction in
9 the equalized assessed value of homestead property equal to the
10 increase in equalized assessed value for the current assessment
11 year above the equalized assessed value of the property for
12 1977, up to the maximum reduction set forth below. If however,
13 the 1977 equalized assessed value upon which taxes were paid is
14 subsequently determined by local assessing officials, the
15 Property Tax Appeal Board, or a court to have been excessive,
16 the equalized assessed value which should have been placed on
17 the property for 1977 shall be used to determine the amount of
18 the exemption.

19 Except as provided in Section 15-176, the maximum reduction
20 before taxable year 2004 shall be \$4,500 in counties with
21 3,000,000 or more inhabitants and \$3,500 in all other counties.
22 Except as provided in Sections 15-176 and 15-177, for taxable
23 years 2004 through 2007, the maximum reduction shall be \$5,000,
24 for taxable year 2008, the maximum reduction is \$5,500, and,
25 for taxable years 2009 and thereafter, the maximum reduction is

1 \$6,000 in all counties. If a county has elected to subject
2 itself to the provisions of Section 15-176 as provided in
3 subsection (k) of that Section, then, for the first taxable
4 year only after the provisions of Section 15-176 no longer
5 apply, for owners who, for the taxable year, have not been
6 granted a senior citizens assessment freeze homestead
7 exemption under Section 15-172 or a long-time occupant
8 homestead exemption under Section 15-177, there shall be an
9 additional exemption of \$5,000 for owners with a household
10 income of \$30,000 or less.

11 In counties with fewer than 3,000,000 inhabitants, if,
12 based on the most recent assessment, the equalized assessed
13 value of the homestead property for the current assessment year
14 is greater than the equalized assessed value of the property
15 for 1977, the owner of the property shall automatically receive
16 the exemption granted under this Section in an amount equal to
17 the increase over the 1977 assessment up to the maximum
18 reduction set forth in this Section.

19 If in any assessment year beginning with the 2000
20 assessment year, homestead property has a pro-rata valuation
21 under Section 9-180 resulting in an increase in the assessed
22 valuation, a reduction in equalized assessed valuation equal to
23 the increase in equalized assessed value of the property for
24 the year of the pro-rata valuation above the equalized assessed
25 value of the property for 1977 shall be applied to the property
26 on a proportionate basis for the period the property qualified

1 as homestead property during the assessment year. The maximum
2 proportionate homestead exemption shall not exceed the maximum
3 homestead exemption allowed in the county under this Section
4 divided by 365 and multiplied by the number of days the
5 property qualified as homestead property.

6 Beginning with assessment year 2011, for taxes payable in
7 2012, property that is first occupied as a residence after
8 January 1 of any assessment year by a person who is eligible
9 for the homestead exemption under this Section must be granted
10 a pro-rata exemption for the assessment year. The amount of the
11 pro-rata exemption is the exemption allowed in the county under
12 this Section divided by 365 and multiplied by the number of
13 days during the assessment year the property is occupied as a
14 residence by a person eligible for the exemption under this
15 Section. The chief county assessment officer must adopt
16 reasonable procedures to establish eligibility for this
17 pro-rata exemption.

18 If a homestead exemption has been granted under this
19 Section and the person awarded the exemption subsequently
20 becomes a resident of a facility licensed under the Nursing
21 Home Care Act or the MR/DD Community Care Act, then the
22 exemption shall continue (i) so long as the residence continues
23 to be occupied by the qualifying person's spouse or (ii) if the
24 residence remains unoccupied but is still owned by the person
25 qualified for the homestead exemption.

26 "Homestead property" under this Section includes

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

21 "Household", as used in this Section, means the owner, the
22 spouse of the owner, and all persons using the residence of the
23 owner as their principal place of residence.

24 "Household income", as used in this Section, means the
25 combined income of the members of a household for the calendar
26 year preceding the taxable year.

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

5 In a cooperative where a homestead exemption has been
6 granted, the cooperative association or its management firm
7 shall credit the savings resulting from that exemption only to
8 the apportioned tax liability of the owner who qualified for
9 the exemption. Any person who willfully refuses to so credit
10 the savings shall be guilty of a Class B misdemeanor.

11 Where married persons maintain and reside in separate
12 residences qualifying as homestead property, each residence
13 shall receive 50% of the total reduction in equalized assessed
14 valuation provided by this Section.

15 A person who becomes eligible during the taxable year is
16 eligible to apply for this homestead exemption during that
17 taxable year. Application must be made during the application
18 period in effect for the county of his or her residence.

19 In all counties, the assessor or chief county assessment
20 officer may determine the eligibility of residential property
21 to receive the homestead exemption and the amount of the
22 exemption by application, visual inspection, questionnaire or
23 other reasonable methods. The determination shall be made in
24 accordance with guidelines established by the Department,
25 provided that the taxpayer applying for an additional general
26 exemption under this Section shall submit to the chief county

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

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

16 Notwithstanding Sections 6 and 8 of the State Mandates Act,
17 no reimbursement by the State is required for the
18 implementation of any mandate created by this Section.

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

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