

**SB0508**



**97TH GENERAL ASSEMBLY**

**State of Illinois**

**2011 and 2012**

**SB0508**

Introduced 2/8/2011, by Sen. John J. Cullerton

**SYNOPSIS AS INTRODUCED:**

35 ILCS 200/15-175

Amends the Property Tax Code. Makes a technical change in a Section concerning the general homestead exemption.

LRB097 04231 HLH 44270 b

**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 Property Tax Code is amended by changing  
5 Section 15-175 as follows:

6 (35 ILCS 200/15-175)

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

21 Except as provided in Section 15-176, the maximum reduction  
22 before taxable year 2004 shall be \$4,500 in counties with  
23 3,000,000 or more inhabitants and \$3,500 in all other counties.

1 Except as provided in Sections 15-176 and 15-177, for taxable  
2 years 2004 through 2007, the maximum reduction shall be \$5,000,  
3 for taxable year 2008, the maximum reduction is \$5,500, and,  
4 for taxable years 2009 and thereafter, the maximum reduction is  
5 \$6,000 in all counties. If a county has elected to subject  
6 itself to the provisions of Section 15-176 as provided in  
7 subsection (k) of that Section, then, for the first taxable  
8 year only after the provisions of Section 15-176 no longer  
9 apply, for owners who, for the taxable year, have not been  
10 granted a senior citizens assessment freeze homestead  
11 exemption under Section 15-172 or a long-time occupant  
12 homestead exemption under Section 15-177, there shall be an  
13 additional exemption of \$5,000 for owners with a household  
14 income of \$30,000 or less.

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

23 If in any assessment year beginning with the 2000  
24 assessment year, homestead property has a pro-rata valuation  
25 under Section 9-180 resulting in an increase in the assessed  
26 valuation, a reduction in equalized assessed valuation equal to

1 the increase in equalized assessed value of the property for  
2 the year of the pro-rata valuation above the equalized assessed  
3 value of the property for 1977 shall be applied to the property  
4 on a proportionate basis for the period the property qualified  
5 as homestead property during the assessment year. The maximum  
6 proportionate homestead exemption shall not exceed the maximum  
7 homestead exemption allowed in the county under this Section  
8 divided by 365 and multiplied by the number of days the  
9 property qualified as homestead property.

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

1 record of a legal or equitable interest in the cooperative  
2 apartment building, other than a leasehold interest. For  
3 purposes of this Section, the term "life care facility" has the  
4 meaning stated in Section 15-170.

5 "Household", as used in this Section, means the owner, the  
6 spouse of the owner, and all persons using the residence of the  
7 owner as their principal place of residence.

8 "Household income", as used in this Section, means the  
9 combined income of the members of a household for the calendar  
10 year preceding the taxable year.

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

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

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

25 In all counties, the assessor or chief county assessment  
26 officer may determine the eligibility of residential property

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

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

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

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