

**SB1772**



**97TH GENERAL ASSEMBLY**

**State of Illinois**

**2011 and 2012**

**SB1772**

Introduced 2/9/2011, by Sen. Edward D. Maloney

**SYNOPSIS AS INTRODUCED:**

35 ILCS 200/18-53 new  
35 ILCS 200/18-185

Amends the Property Tax Code. Authorizes taxing districts to adopt a levy, without referendum approval, to recapture revenue lost by certain refunds. Exempts the recapture levy from the definition of "aggregate extension" in the Property Tax Extension Limitation Law. Allows a taxpayer who has received a refund to have a portion of the refund amount included in the extension of the district's recapture levy against his or her property abated. Effective immediately.

LRB097 10094 HLH 50273 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 Property Tax Code is amended by adding  
5 Sections 18-53 and 18-185 as follows:

6 (35 ILCS 200/18-53 new)

7 Sec. 18-53. Recovery of revenue lost due to tax refunds.

8 (a) When a taxing district is required to refund a portion  
9 of the property tax revenue distributed to that taxing district  
10 because of a decision of the Property Tax Appeal Board, an  
11 assessment or exemption decision of the Department of Revenue,  
12 a court order issued pursuant to an assessment valuation  
13 complaint under item (3) of subsection (b) of Section 23-15, or  
14 an administrative decision of a local assessing official  
15 reducing the assessed value of a property within the district,  
16 that taxing district may, without referendum, adopt a levy to  
17 recapture the revenue lost by the refund or refunds. The  
18 recapture levy must be identified as a separate item in the  
19 district's regular levy ordinance and it must not exceed an  
20 amount equal to the aggregate refunds paid by the district for  
21 the prior calendar year. At the district's option the recapture  
22 levy may be extended in successive annual installments, but the  
23 total of all installments shall not exceed the amount allowed

1 under this Section for a single levy. Within 45 days after a  
2 request by a taxing district, the county treasurer must certify  
3 the aggregate refunds paid by a taxing district for purposes of  
4 this Section. For purposes of the Property Tax Extension  
5 Limitation Law, the taxing district's aggregate extension base  
6 does not include the recapture levy authorized under this  
7 Section.

8 (b) Whenever the county treasurer certifies aggregate  
9 refunds at the request of a taxing district under this Section,  
10 the treasurer shall keep records of the individual refunds  
11 included in the aggregate. All such information shall be  
12 provided to the county clerk. The county clerk shall keep a  
13 record of that information and of any recapture levy that may  
14 thereafter be extended, so that the amount of the extension may  
15 be distinguished from any other levies and extensions for that  
16 district. The county treasurer's and the county clerk's records  
17 under this Section are available to the public upon request.

18 (c) Any taxpayer who has received a refund of taxes paid on  
19 his or her property that has been included in a recapture levy  
20 or levies by one or more taxing districts under this Section  
21 shall have the right to have a portion of the refund amount  
22 included in the extension of each district's recapture levy  
23 against his or her property abated to the extent that the  
24 refund amount included in each district's recapture levy  
25 exceeds \$1,000. The abatement may be granted only upon  
26 application as provided in this Section, and submission of the

1 application shall not delay or otherwise affect the normal tax  
2 extension and billing process. For purposes of this Section,  
3 the "property" for which the recapture extension may be abated  
4 is defined as one or more parcels that were the subject of a  
5 consolidated refund. If the taxing district's recapture levy  
6 and extension was made in a lesser amount than the aggregate of  
7 all refunds certified by the treasurer for that district, each  
8 abatement shall reflect that same proportionate reduction.

9 (d) A taxpayer seeking an abatement under this Section  
10 shall apply to the county treasurer after the issuance of the  
11 second installment tax bill including the amount sought to be  
12 abated, but no later than the due date under Section 23-10 for  
13 tax objection complaints regarding tax levies of the year for  
14 which the recapture levy was extended. The county treasurer may  
15 prescribe the form in which the application shall be made. The  
16 application shall include a copy of the decision or order which  
17 gave rise to the refund and must specify the abatement claimed.  
18 The treasurer, assisted if necessary by the county clerk, shall  
19 confirm (i) whether the refund identified in the application  
20 was included within the appropriate treasurer's certification  
21 of aggregate refunds and (ii) the percentage that the refund  
22 represents of the total recapture levy, and, upon such  
23 confirmation, the abatement must be allowed as provided in this  
24 Section. If the taxes abated have been paid they must be  
25 refunded. The treasurer shall determine whether to allow or  
26 deny the application and shall advise the applicant of the

1 determination within 90 days after its submission, and a  
2 failure to make an express determination within that time shall  
3 be deemed a denial. If the treasurer cannot determine whether  
4 the application should be allowed, or otherwise denies the  
5 application, any taxpayer who has paid the tax subject to the  
6 claimed abatement may petition the circuit court for a refund  
7 in the time and manner provided in Section 20-175. Any refund  
8 granted pursuant to an abatement may not be included in a  
9 recapture levy under this Section.

10 (e) The county treasurer and county clerk shall mark their  
11 records to reflect that any taxes abated under this Section and  
12 any lien with respect to those taxes shall be null and void.

13 (35 ILCS 200/18-185)

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

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

20 "Extension limitation" means (a) the lesser of 5% or the  
21 percentage increase in the Consumer Price Index during the  
22 12-month calendar year preceding the levy year or (b) the rate  
23 of increase approved by voters under Section 18-205.

24 "Affected county" means a county of 3,000,000 or more  
25 inhabitants or a county contiguous to a county of 3,000,000 or

1 more inhabitants.

2 "Taxing district" has the same meaning provided in Section  
3 1-150, except as otherwise provided in this Section. For the  
4 1991 through 1994 levy years only, "taxing district" includes  
5 only each non-home rule taxing district having the majority of  
6 its 1990 equalized assessed value within any county or counties  
7 contiguous to a county with 3,000,000 or more inhabitants.  
8 Beginning with the 1995 levy year, "taxing district" includes  
9 only each non-home rule taxing district subject to this Law  
10 before the 1995 levy year and each non-home rule taxing  
11 district not subject to this Law before the 1995 levy year  
12 having the majority of its 1994 equalized assessed value in an  
13 affected county or counties. Beginning with the levy year in  
14 which this Law becomes applicable to a taxing district as  
15 provided in Section 18-213, "taxing district" also includes  
16 those taxing districts made subject to this Law as provided in  
17 Section 18-213.

18 "Aggregate extension" for taxing districts to which this  
19 Law applied before the 1995 levy year means the annual  
20 corporate extension for the taxing district and those special  
21 purpose extensions that are made annually for the taxing  
22 district, excluding special purpose extensions: (a) made for  
23 the taxing district to pay interest or principal on general  
24 obligation bonds that were approved by referendum; (b) made for  
25 any taxing district to pay interest or principal on general  
26 obligation bonds issued before October 1, 1991; (c) made for

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

1 referendum; (j) made for payments of principal and interest on  
2 bonds issued under Section 15 of the Local Government Debt  
3 Reform Act; (k) made by a school district that participates in  
4 the Special Education District of Lake County, created by  
5 special education joint agreement under Section 10-22.31 of the  
6 School Code, for payment of the school district's share of the  
7 amounts required to be contributed by the Special Education  
8 District of Lake County to the Illinois Municipal Retirement  
9 Fund under Article 7 of the Illinois Pension Code; the amount  
10 of any extension under this item (k) shall be certified by the  
11 school district to the county clerk; (l) made to fund expenses  
12 of providing joint recreational programs for the handicapped  
13 under Section 5-8 of the Park District Code or Section 11-95-14  
14 of the Illinois Municipal Code; (m) made for temporary  
15 relocation loan repayment purposes pursuant to Sections 2-3.77  
16 and 17-2.2d of the School Code; (n) made for payment of  
17 principal and interest on any bonds issued under the authority  
18 of Section 17-2.2d of the School Code; ~~and~~ (o) made for  
19 contributions to a firefighter's pension fund created under  
20 Article 4 of the Illinois Pension Code, to the extent of the  
21 amount certified under item (5) of Section 4-134 of the  
22 Illinois Pension Code; and (p) made as a recapture levy under  
23 Section 18-53 of the Property Tax Code.

24 "Aggregate extension" for the taxing districts to which  
25 this Law did not apply before the 1995 levy year (except taxing  
26 districts subject to this Law in accordance with Section



1 18-213) means the annual corporate extension for the taxing  
2 district and those special purpose extensions that are made  
3 annually for the taxing district, excluding special purpose  
4 extensions: (a) made for the taxing district to pay interest or  
5 principal on general obligation bonds that were approved by  
6 referendum; (b) made for any taxing district to pay interest or  
7 principal on general obligation bonds issued before March 1,  
8 1995; (c) made for any taxing district to pay interest or  
9 principal on bonds issued to refund or continue to refund those  
10 bonds issued before March 1, 1995; (d) made for any taxing  
11 district to pay interest or principal on bonds issued to refund  
12 or continue to refund bonds issued after March 1, 1995 that  
13 were approved by referendum; (e) made for any taxing district  
14 to pay interest or principal on revenue bonds issued before  
15 March 1, 1995 for payment of which a property tax levy or the  
16 full faith and credit of the unit of local government is  
17 pledged; however, a tax for the payment of interest or  
18 principal on those bonds shall be made only after the governing  
19 body of the unit of local government finds that all other  
20 sources for payment are insufficient to make those payments;  
21 (f) made for payments under a building commission lease when  
22 the lease payments are for the retirement of bonds issued by  
23 the commission before March 1, 1995 to pay for the building  
24 project; (g) made for payments due under installment contracts  
25 entered into before March 1, 1995; (h) made for payments of  
26 principal and interest on bonds issued under the Metropolitan

1 Water Reclamation District Act to finance construction  
2 projects initiated before October 1, 1991; (h-4) made for  
3 stormwater management purposes by the Metropolitan Water  
4 Reclamation District of Greater Chicago under Section 12 of the  
5 Metropolitan Water Reclamation District Act; (i) made for  
6 payments of principal and interest on limited bonds, as defined  
7 in Section 3 of the Local Government Debt Reform Act, in an  
8 amount not to exceed the debt service extension base less the  
9 amount in items (b), (c), and (e) of this definition for  
10 non-referendum obligations, except obligations initially  
11 issued pursuant to referendum and bonds described in subsection  
12 (h) of this definition; (j) made for payments of principal and  
13 interest on bonds issued under Section 15 of the Local  
14 Government Debt Reform Act; (k) made for payments of principal  
15 and interest on bonds authorized by Public Act 88-503 and  
16 issued under Section 20a of the Chicago Park District Act for  
17 aquarium or museum projects; (l) made for payments of principal  
18 and interest on bonds authorized by Public Act 87-1191 or  
19 93-601 and (i) issued pursuant to Section 21.2 of the Cook  
20 County Forest Preserve District Act, (ii) issued under Section  
21 42 of the Cook County Forest Preserve District Act for  
22 zoological park projects, or (iii) issued under Section 44.1 of  
23 the Cook County Forest Preserve District Act for botanical  
24 gardens projects; (m) made pursuant to Section 34-53.5 of the  
25 School Code, whether levied annually or not; (n) made to fund  
26 expenses of providing joint recreational programs for the

1 handicapped under Section 5-8 of the Park District Code or  
2 Section 11-95-14 of the Illinois Municipal Code; (o) made by  
3 the Chicago Park District for recreational programs for the  
4 handicapped under subsection (c) of Section 7.06 of the Chicago  
5 Park District Act; (p) made for contributions to a  
6 firefighter's pension fund created under Article 4 of the  
7 Illinois Pension Code, to the extent of the amount certified  
8 under item (5) of Section 4-134 of the Illinois Pension Code;  
9 ~~and~~ (q) made by Ford Heights School District 169 under Section  
10 17-9.02 of the School Code; and (r) made as a recapture levy  
11 under Section 18-53 of the Property Tax Code.

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

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

1 (e) of this definition for non-referendum obligations, except  
2 obligations initially issued pursuant to referendum; (i) made  
3 for payments of principal and interest on bonds issued under  
4 Section 15 of the Local Government Debt Reform Act; (j) made  
5 for a qualified airport authority to pay interest or principal  
6 on general obligation bonds issued for the purpose of paying  
7 obligations due under, or financing airport facilities  
8 required to be acquired, constructed, installed or equipped  
9 pursuant to, contracts entered into before March 1, 1996 (but  
10 not including any amendments to such a contract taking effect  
11 on or after that date); (k) made to fund expenses of providing  
12 joint recreational programs for the handicapped under Section  
13 5-8 of the Park District Code or Section 11-95-14 of the  
14 Illinois Municipal Code; (l) made for contributions to a  
15 firefighter's pension fund created under Article 4 of the  
16 Illinois Pension Code, to the extent of the amount certified  
17 under item (5) of Section 4-134 of the Illinois Pension Code;  
18 ~~and~~ (m) made for the taxing district to pay interest or  
19 principal on general obligation bonds issued pursuant to  
20 Section 19-3.10 of the School Code; and (n) made as a recapture  
21 levy under Section 18-53 of the Property Tax Code.

22 "Aggregate extension" for all taxing districts to which  
23 this Law applies in accordance with paragraph (2) of subsection  
24 (e) of Section 18-213 means the annual corporate extension for  
25 the taxing district and those special purpose extensions that  
26 are made annually for the taxing district, excluding special

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

1 (h) made for payments of principal and interest on limited  
2 bonds, as defined in Section 3 of the Local Government Debt  
3 Reform Act, in an amount not to exceed the debt service  
4 extension base less the amount in items (b), (c), and (e) of  
5 this definition for non-referendum obligations, except  
6 obligations initially issued pursuant to referendum; (i) made  
7 for payments of principal and interest on bonds issued under  
8 Section 15 of the Local Government Debt Reform Act; (j) made  
9 for a qualified airport authority to pay interest or principal  
10 on general obligation bonds issued for the purpose of paying  
11 obligations due under, or financing airport facilities  
12 required to be acquired, constructed, installed or equipped  
13 pursuant to, contracts entered into before March 1, 1996 (but  
14 not including any amendments to such a contract taking effect  
15 on or after that date); (k) made to fund expenses of providing  
16 joint recreational programs for the handicapped under Section  
17 5-8 of the Park District Code or Section 11-95-14 of the  
18 Illinois Municipal Code; ~~and~~ (l) made for contributions to a  
19 firefighter's pension fund created under Article 4 of the  
20 Illinois Pension Code, to the extent of the amount certified  
21 under item (5) of Section 4-134 of the Illinois Pension Code;  
22 and (m) made as a recapture levy under 18-53 of the Property  
23 Tax Code.

24 "Debt service extension base" means an amount equal to that  
25 portion of the extension for a taxing district for the 1994  
26 levy year, or for those taxing districts subject to this Law in

1 accordance with Section 18-213, except for those subject to  
2 paragraph (2) of subsection (e) of Section 18-213, for the levy  
3 year in which the referendum making this Law applicable to the  
4 taxing district is held, or for those taxing districts subject  
5 to this Law in accordance with paragraph (2) of subsection (e)  
6 of Section 18-213 for the 1996 levy year, constituting an  
7 extension for payment of principal and interest on bonds issued  
8 by the taxing district without referendum, but not including  
9 excluded non-referendum bonds. For park districts (i) that were  
10 first subject to this Law in 1991 or 1995 and (ii) whose  
11 extension for the 1994 levy year for the payment of principal  
12 and interest on bonds issued by the park district without  
13 referendum (but not including excluded non-referendum bonds)  
14 was less than 51% of the amount for the 1991 levy year  
15 constituting an extension for payment of principal and interest  
16 on bonds issued by the park district without referendum (but  
17 not including excluded non-referendum bonds), "debt service  
18 extension base" means an amount equal to that portion of the  
19 extension for the 1991 levy year constituting an extension for  
20 payment of principal and interest on bonds issued by the park  
21 district without referendum (but not including excluded  
22 non-referendum bonds). A debt service extension base  
23 established or increased at any time pursuant to any provision  
24 of this Law, except Section 18-212, shall be increased each  
25 year commencing with the later of (i) the 2009 levy year or  
26 (ii) the first levy year in which this Law becomes applicable



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

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

20 "Aggregate extension base" means the taxing district's  
21 last preceding aggregate extension as adjusted under Sections  
22 18-135, 18-215, and 18-230. An adjustment under Section 18-135  
23 shall be made for the 2007 levy year and all subsequent levy  
24 years whenever one or more counties within which a taxing  
25 district is located (i) used estimated valuations or rates when  
26 extending taxes in the taxing district for the last preceding

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

13 "Levy year" has the same meaning as "year" under Section  
14 1-155.

15 "New property" means (i) the assessed value, after final  
16 board of review or board of appeals action, of new improvements  
17 or additions to existing improvements on any parcel of real  
18 property that increase the assessed value of that real property  
19 during the levy year multiplied by the equalization factor  
20 issued by the Department under Section 17-30, (ii) the assessed  
21 value, after final board of review or board of appeals action,  
22 of real property not exempt from real estate taxation, which  
23 real property was exempt from real estate taxation for any  
24 portion of the immediately preceding levy year, multiplied by  
25 the equalization factor issued by the Department under Section  
26 17-30, including the assessed value, upon final stabilization

1 of occupancy after new construction is complete, of any real  
2 property located within the boundaries of an otherwise or  
3 previously exempt military reservation that is intended for  
4 residential use and owned by or leased to a private corporation  
5 or other entity, and (iii) in counties that classify in  
6 accordance with Section 4 of Article IX of the Illinois  
7 Constitution, an incentive property's additional assessed  
8 value resulting from a scheduled increase in the level of  
9 assessment as applied to the first year final board of review  
10 market value. In addition, the county clerk in a county  
11 containing a population of 3,000,000 or more shall include in  
12 the 1997 recovered tax increment value for any school district,  
13 any recovered tax increment value that was applicable to the  
14 1995 tax year calculations.

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

19 "Recovered tax increment value" means, except as otherwise  
20 provided in this paragraph, the amount of the current year's  
21 equalized assessed value, in the first year after a  
22 municipality terminates the designation of an area as a  
23 redevelopment project area previously established under the  
24 Tax Increment Allocation Development Act in the Illinois  
25 Municipal Code, previously established under the Industrial  
26 Jobs Recovery Law in the Illinois Municipal Code, previously

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

1 the Illinois Municipal Code, or the Economic Development Area  
2 Tax Increment Allocation Act, "recovered tax increment value"  
3 means the amount of the current year's equalized assessed value  
4 of each taxable lot, block, tract, or parcel of real property  
5 removed from the redevelopment project area over and above the  
6 initial equalized assessed value of that real property before  
7 removal from the redevelopment project area.

8 Except as otherwise provided in this Section, "limiting  
9 rate" means a fraction the numerator of which is the last  
10 preceding aggregate extension base times an amount equal to one  
11 plus the extension limitation defined in this Section and the  
12 denominator of which is the current year's equalized assessed  
13 value of all real property in the territory under the  
14 jurisdiction of the taxing district during the prior levy year.  
15 For those taxing districts that reduced their aggregate  
16 extension for the last preceding levy year, the highest  
17 aggregate extension in any of the last 3 preceding levy years  
18 shall be used for the purpose of computing the limiting rate.  
19 The denominator shall not include new property or the recovered  
20 tax increment value. If a new rate, a rate decrease, or a  
21 limiting rate increase has been approved at an election held  
22 after March 21, 2006, then (i) the otherwise applicable  
23 limiting rate shall be increased by the amount of the new rate  
24 or shall be reduced by the amount of the rate decrease, as the  
25 case may be, or (ii) in the case of a limiting rate increase,  
26 the limiting rate shall be equal to the rate set forth in the

1 proposition approved by the voters for each of the years  
2 specified in the proposition, after which the limiting rate of  
3 the taxing district shall be calculated as otherwise provided.

4 (Source: P.A. 95-90, eff. 1-1-08; 95-331, eff. 8-21-07; 95-404,  
5 eff. 1-1-08; 95-876, eff. 8-21-08; 96-501, eff. 8-14-09;  
6 96-517, eff. 8-14-09; 96-1000, eff. 7-2-10; 96-1202, eff.  
7 7-22-10.)

8 Section 99. Effective date. This Act takes effect upon  
9 becoming law.