

SB2225



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

SB2225

Introduced 2/10/2011, by Sen. A. J. Wilhelmi

SYNOPSIS AS INTRODUCED:

35 ILCS 200/10-31

Amends the Property Tax Code. With respect to the assessed value of subdivided lots, provides that the value is not increased upon sale or transfer if (i) the sale is for future development, (ii) the sale or transfer is to a related entity, (iii) the transfer is to a mortgage holder pursuant to mortgage foreclosure or in lieu of foreclosure, or (iv) the sale or transfer is by a mortgagee holder. Removes language that the provisions apply only through December 31, 2011. Makes other changes. Effective immediately.

LRB097 10035 HLH 50206 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 changing
5 Section 10-31 as follows:

6 (35 ILCS 200/10-31)

7 Sec. 10-31. Subdivisions; counties of less than 3,000,000.

8 (a) In counties with less than 3,000,000 inhabitants, the
9 platting and subdivision of property into separate lots and the
10 development of the subdivided property with streets,
11 sidewalks, curbs, gutters, sewer, water and utility lines shall
12 not increase the assessed valuation of all or any part of the
13 property, if:

14 (1) The property is platted and subdivided in
15 accordance with the Plat Act;

16 (2) The platting occurs after January 1, 1978;

17 (3) At the time of platting the property is in excess
18 of 5 acres; and

19 (4) At the time of platting or replatting the property
20 is vacant or used as a farm as defined in Section 1-60.

21 (b) Except as provided in subsection (c) of this Section,
22 the assessed valuation of property so platted and subdivided
23 shall be determined based on the assessed value assigned to the

1 property when last assessed prior to its last transfer or
2 conveyance. The following sales or transfers of any platted lot
3 shall not disqualify that lot from the provisions of this
4 subsection (b):

5 (1) a sale to any person or entity for purposes of
6 future development;

7 (2) a sale or transfer to a related entity, including a
8 parent corporation, subsidiary, or affiliate;

9 (3) a transfer to a holder of a mortgage, as defined in
10 Section 15-1207 of the Code of Civil Procedure, pursuant to
11 a mortgage foreclosure proceeding or pursuant to a transfer
12 in lieu of foreclosure; or

13 (4) a sale or transfer by the holder of a mortgage, as
14 described in item (3). ~~An initial sale of any platted lot,~~
15 ~~including a lot that is vacant, or a transfer to a holder~~
16 ~~of a mortgage, as defined in Section 15 1207 of the Code of~~
17 ~~Civil Procedure, pursuant to a mortgage foreclosure~~
18 ~~proceeding or pursuant to a transfer in lieu of~~
19 ~~foreclosure, does not disqualify that lot from the~~
20 ~~provisions of this subsection (b).~~

21 (c) Upon completion of a habitable structure on any lot of
22 subdivided property, or upon the use of any lot, either alone
23 or in conjunction with any contiguous property, for any
24 business, commercial or residential purpose: (i) the
25 provisions of subsection (b) of this Section shall no longer
26 apply in determining the assessed valuation of the lot, (ii)

1 each lot shall be assessed without regard to any provision of
2 this Section, and (iii) the assessed valuation of the remaining
3 property, when next determined, shall be reduced
4 proportionately to reflect the exclusion of the property that
5 no longer qualifies for valuation under this Section. Holding
6 or offering a platted lot for ~~initial~~ sale or executing a sale
7 or transfer shall not constitute a use of the lot for business,
8 commercial or residential purposes unless a habitable
9 structure is situated on the lot or unless the lot is otherwise
10 used for a business, commercial or residential purpose. The
11 replatting of a subdivision or portion of a subdivision does
12 not disqualify the replatted lots from the provisions of
13 subsection (b).

14 (d) This Section applies on and after the effective date of
15 this amendatory Act of the 96th General Assembly ~~and through~~
16 ~~December 31, 2011.~~

17 (Source: P.A. 96-480, eff. 8-14-09.)

18 Section 99. Effective date. This Act takes effect upon
19 becoming law.