

**SB3429**



**97TH GENERAL ASSEMBLY**

**State of Illinois**

**2011 and 2012**

**SB3429**

Introduced 2/7/2012, by Sen. David Koehler

**SYNOPSIS AS INTRODUCED:**

35 ILCS 200/15-175

Amends the Property Tax Code. Provides that the general homestead exemption shall be \$6,000 in all counties beginning with the 2012 assessment year. Effective immediately.

LRB097 18588 HLH 63820 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 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 15-177, homestead property is  
9 entitled to an annual homestead exemption of 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 2012 ~~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, the general homestead exemption ~~a reduction in~~

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

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

1 for paying property taxes on the property and is an owner of  
2 record of a legal or equitable interest in the cooperative  
3 apartment building, other than a leasehold interest. For  
4 purposes of this Section, the term "life care facility" has the  
5 meaning stated in Section 15-170.

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

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

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

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

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

26 In all counties, the assessor or chief county assessment

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

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

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

26 The changes made by this amendatory Act of the 97th General

1 Assembly apply beginning with the 2012 assessment year.

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

3 Section 99. Effective date. This Act takes effect upon  
4 becoming law.