

HB3273



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB3273

by Rep. Jay Hoffman

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-87 new
35 ILCS 105/3-8.5 new
35 ILCS 110/3-8.5 new
35 ILCS 115/3-8.5 new
35 ILCS 120/2-9.5 new

Amends the Property Tax Code. Creates an exemption for property on which a hospice residence is located if the hospice provider meets certain criteria related to charity care. Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act to create an exemption for hospice providers. Effective immediately.

LRB098 08177 HLH 38273 b

FISCAL 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 Section 15-87 as follows:

6 (35 ILCS 200/15-87 new)

7 Sec. 15-87. Hospice residence exemption.

8 (a) Property on which a hospice residence is located shall
9 be issued a charitable exemption under this Section if the
10 value of services or activities listed in subsection (b) for
11 the taxable year equals or exceeds the estimated property tax
12 liability for the property for the year for which exemption is
13 sought. For purposes of making the calculations required by
14 this Section, if the hospice provider owns more than one
15 hospice residence, the value of the services or activities
16 listed in subsection (b) shall be calculated on the basis of
17 only those services and activities relating to the subject
18 property, and the relevant hospice's estimated property tax
19 liability shall be calculated only with respect to the
20 properties comprising that hospice residence.

21 Notwithstanding any other provisions of this Act, any
22 parcel or portion thereof, that is owned by a for-profit
23 entity, or that is leased, licensed or operated by a for-profit

1 entity regardless of whether a hospice program is provided on
2 that parcel shall not qualify for exemption. If a parcel has
3 both exempt and non-exempt uses, an exemption may be granted
4 for the qualifying portion of that parcel. In the case of
5 parking lots and common areas serving both exempt and
6 non-exempt uses those parcels or portions thereof may qualify
7 for an exemption in proportion to the amount of qualifying use.

8 (b) The following services and activities shall be
9 considered for purposes of making the calculations required by
10 subsection (a):

11 (1) Charity care. Free or discounted services provided
12 to low-income and underserved individuals either without
13 charge or at a reduced rate pursuant to the hospice
14 provider's financial assistance policy.

15 (2) Subsidy of State or local governments. Direct or
16 indirect financial or in-kind subsidies of State or local
17 governments by the hospice provider that pay for or
18 subsidize activities or programs related to health care for
19 low-income or underserved individuals.

20 (3) Dual-eligible subsidy. The amount of subsidy
21 provided to government by treating dual-eligible
22 Medicare/Medicaid patients.

23 (4) Relief of the burden of government related to the
24 care of low-income individuals. Except to the extent
25 otherwise taken into account in this subsection, the
26 portion of unreimbursed costs of the hospice provider

1 attributable to providing, paying for, or subsidizing
2 goods, activities, or services that relieve the burden of
3 government related to care for low-income individuals.

4 (5) Any other activity by the hospice provider that the
5 Department determines relieves the burden of government or
6 addresses the health of low-income or underserved
7 individuals.

8 (c) Each hospice provider applying for an exemption under
9 this Section shall use an application form provided by the
10 Department. The application form shall specify the records
11 required in support of the application and those records shall
12 be submitted to the Department with the application form. Each
13 application or affidavit shall contain a verification by the
14 Chief Executive Officer of the hospice provider under oath or
15 affirmation stating that each statement in the application or
16 affidavit and each document submitted with the application or
17 affidavit is true and correct.

18 (d) For the purposes of this Section:

19 "Hospice residence" has the meaning ascribed to that
20 term in the Hospice Program Licensing Act.

21 "Hospice provider" means a licensed public agency or
22 private organization, or a subdivision of either of those,
23 that is primarily engaged in providing care to terminally
24 ill individuals through a program of home care or inpatient
25 care, or both home care and inpatient care, utilizing a
26 medically directed interdisciplinary hospice care team of

1 professionals or volunteers, or both professionals and
2 volunteers.

3 (e) Nothing in this Section shall be construed to limit the
4 ability of otherwise eligible taxpayers to obtain or maintain
5 property tax exemptions pursuant to a provision of the Property
6 Tax Code other than this Section.

7 Section 10. The Use Tax Act is amended by adding Section
8 3-8.5 as follows:

9 (35 ILCS 105/3-8.5 new)

10 Sec. 3-8.5. Hospice provider. Tangible personal property
11 sold to or used by a hospice provider is exempt from taxation
12 under this Act during each taxable year in which the hospice
13 provider's property is exempt under Section 15-87 of the
14 Property Tax Code. For the purpose of this Section, "hospice
15 provider" has the meaning ascribed to that term in Section
16 15-87 of the Property Tax Code.

17 This Section is exempt from the provisions of Section 3-90.

18 Section 15. The Service Use Tax Act is amended by adding
19 Section 3-8.5 as follows:

20 (35 ILCS 110/3-8.5 new)

21 Sec. 3-8.5. Hospice provider. Tangible personal property
22 sold to or used by a hospice provider is exempt from taxation

1 under this Act during each taxable year in which the hospice
2 provider's property is exempt under Section 15-87 of the
3 Property Tax Code. For the purpose of this Section, "hospice
4 provider" has the meaning ascribed to that term in Section
5 15-87 of the Property Tax Code.

6 This Section is exempt from the provisions of Section 3-75.

7 Section 20. The Service Occupation Tax Act is amended by
8 adding Section 3-8.5 as follows:

9 (35 ILCS 115/3-8.5 new)

10 Sec. 3-8.5. Hospice provider. Tangible personal property
11 sold to or used by a hospice provider is exempt from taxation
12 under this Act during each taxable year in which the hospice
13 provider's property is exempt under Section 15-87 of the
14 Property Tax Code. For the purpose of this Section, "hospice
15 provider" has the meaning ascribed to that term in Section
16 15-87 of the Property Tax Code.

17 This Section is exempt from the provisions of Section 3-55.

18 Section 25. The Retailers' Occupation Tax Act is amended by
19 adding Section 2-9.5 as follows:

20 (35 ILCS 120/2-9.5 new)

21 Sec. 2-9.5. Hospice provider. Tangible personal property
22 sold to or used by a hospice provider is exempt from taxation

1 under this Act during each taxable year in which the hospice
2 provider's property is exempt under Section 15-87 of the
3 Property Tax Code. For the purpose of this Section, "hospice
4 provider" has the meaning ascribed to that term in Section
5 15-87 of the Property Tax Code.

6 This Section is exempt from the provisions of Section 2-70.

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