



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB5311

by Rep. David McSweeney - Brandon W. Phelps - Ed Sullivan, Jr.

SYNOPSIS AS INTRODUCED:

35 ILCS 200/Art. 18 Div. 7 heading new
35 ILCS 200/18-280 new
35 ILCS 200/18-285 new
35 ILCS 200/18-290 new
30 ILCS 805/8.38 new

Amends the Property Tax Code. Creates a Township Property Tax Extension Freeze for the 2014 levy year for townships with a population of 100,000 or less that are located within a county that is subject to the Property Tax Extension Limitation Law. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB098 20152 HLH 55469 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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 Division 7 to Article 18 as follows:

6 (35 ILCS 200/Art. 18 Div. 7 heading new)

7 Division 7. Township Property Tax Extension Freeze Law.

8 (35 ILCS 200/18-280 new)

9 Sec. 18-280. Short title; definitions. This Division 7 may
10 be cited as the Township Property Tax Extension Freeze Law.

11 As used in this Division 7:

12 "Aggregate extension" means the annual corporate extension
13 for the town fund of the township, excluding highway funds,
14 general assistance funds, and any special purpose extensions.

15 "Town fund" means the fund or funds for which moneys are
16 appropriated by townships for general operating expenses in
17 compliance with Section 3 of the Illinois Municipal Budget Law.

18 "Current year" means the 2014 levy year.

19 "Special purpose extensions" include, but are not limited
20 to, extensions for levies made on an annual basis for
21 unemployment and workers' compensation, self-insurance,
22 contributions to pension plans, whether levied annually or not.

1 The extension for a special service area is not included in the
2 aggregate extension.

3 "Aggregate extension base" means the township's aggregate
4 extension for the 2013 levy year.

5 "New property" means (i) the assessed value, after final
6 board of review or board of appeals action, of new improvements
7 or additions to existing improvements on any parcel of real
8 property that increase the assessed value of that real property
9 during the levy year multiplied by the equalization factor
10 issued by the Department under Section 17-30 and (ii) the
11 assessed value, after final board of review or board of appeals
12 action, of real property not exempt from real estate taxation,
13 which real property was exempt from real estate taxation for
14 any portion of the immediately preceding levy year, multiplied
15 by the equalization factor issued by the Department under
16 Section 17-30.

17 "Recovered tax increment value" means the amount of the
18 current year's equalized assessed value, in the first year
19 after a city terminates the designation of an area as a
20 redevelopment project area previously established under the
21 Tax Increment Allocation Development Act of the Illinois
22 Municipal Code, previously established under the Industrial
23 Jobs Recovery Law of the Illinois Municipal Code, or previously
24 established under the Economic Development Area Tax Increment
25 Allocation Act, of each taxable lot, block, tract, or parcel of
26 real property in the redevelopment project area over and above

1 the initial equalized assessed value of each property in the
2 redevelopment project area.

3 Except as otherwise provided in this Division, "limiting
4 rate" means a fraction the numerator of which is the aggregate
5 extension base and the denominator of which is the current
6 year's equalized assessed value of all real property in the
7 territory under the jurisdiction of the township during the
8 2013 levy year. The denominator shall not include new property
9 and shall not include the recovered tax increment value.

10 (35 ILCS 200/18-285 new)

11 Sec. 18-285. Township extensions.

12 (a) Notwithstanding any other provision of law, in counties
13 under township organization that are subject to the Property
14 Tax Extension Limitation Law, for the 2014 levy year, for those
15 townships with a population of 100,000 or less, according to
16 the most recent federal decennial census, for which the county
17 clerk extended taxes for any funds included in the aggregate
18 extension base for the 2013 levy year, the county clerk shall
19 extend a rate for the sum of the funds in the township's
20 aggregate extension base that is no greater than the limiting
21 rate. Notwithstanding any other provision of law, except as
22 provided in subsection (b), this Section limits the increase in
23 the township's 2014 aggregate extension to 0%.

24 (b) If and only if the township obtains referendum approval
25 for an increased limiting rate under Section 18-290, then the

1 county clerk shall extend a rate for the sum of the funds in
2 the township's aggregate extension base that is no greater than
3 the increased limiting rate.

4 (c) If the county clerk is required to reduce the aggregate
5 extension of a township under the provisions of this Division,
6 then the county clerk shall proportionally reduce the extension
7 for each fund included in the aggregate extension, unless a
8 different method of reduction is requested by the township.

9 (35 ILCS 200/18-290 new)

10 Sec. 18-290. Increased limiting rate. A township may
11 increase its limiting rate for the 2014 levy year if and only
12 if the township submits the question at referendum before the
13 levy date for the applicable year, and if a majority of voters
14 voting on the issue approves adoption of the increased limiting
15 rate. Referenda shall be conducted at a regularly scheduled
16 election in accordance with the Election Code. The question
17 shall be presented in substantially the following manner:

18 Shall the limiting rate under the Township Property Tax
19 Extension Freeze Law for (township), Illinois, be
20 increased to (increased limiting rate)?

21 Votes shall be recorded as "Yes" or "No".

22 Section 90. The State Mandates Act is amended by adding
23 Section 8.38 as follows:

1 (30 ILCS 805/8.38 new)

2 Sec. 8.38. Exempt mandate. Notwithstanding Sections 6 and 8
3 of this Act, no reimbursement by the State is required for the
4 implementation of any mandate created by this amendatory Act of
5 the 98th General Assembly.

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