



Rep. Camille Y. Lilly

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09800HB5538ham001

LRB098 19074 HLH 56949 a

1 AMENDMENT TO HOUSE BILL 5538

2 AMENDMENT NO. _____. Amend House Bill 5538 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Property Tax Code is amended by changing
5 Section 18-173 as follows:

6 (35 ILCS 200/18-173)

7 Sec. 18-173. Housing opportunity area abatement program.

8 (a) For the purpose of promoting access to housing near
9 work and in order to promote economic diversity throughout
10 Illinois and to alleviate the concentration of low-income
11 households in areas of high poverty, a housing opportunity area
12 tax abatement program is created.

13 (b) As used in this Section:

14 "Housing authority" means either a housing authority
15 created under the Housing Authorities Act or other government
16 agency that is authorized by the United States government under

1 the United States Housing Act of 1937 to administer a housing
2 choice voucher program, or the authorized agent of such a
3 housing authority that is authorized to act upon that
4 authority's behalf.

5 "Housing choice voucher" means a tenant voucher issued by a
6 housing authority under Section 8 of the United States Housing
7 Act of 1937 and a tenant voucher converted to a project-based
8 voucher by a housing authority.

9 "Housing opportunity area" means: (1) a census tract
10 located within a county with 200,000 or more but fewer than
11 3,000,000 inhabitants, where less than 8% of the residents of
12 the census tract live below the poverty level, as defined by
13 the United States government using the 5-year estimates of the
14 poverty rate compiled by the United States Census Bureau in the
15 American Community Survey in the year of the most recent
16 federal decennial census; (2) a census tract located in a
17 county with 3,000,000 or more inhabitants and located in a
18 township that is not located wholly within a municipality with
19 1,000,000 or more inhabitants, where 8% of the residents of the
20 township in which the census tract is located and 8% of the
21 residents of the census tract live below the poverty level, as
22 defined by the United States government using the 5-year
23 estimates of the poverty rate compiled by the United States
24 Census Bureau in the American Community Survey in the year of
25 the most recent federal decennial census; or (3) a census tract
26 located within a township that is located wholly within a

1 municipality with 1,000,000 or more inhabitants, where less
2 than 12% of the residents of the census tract live below the
3 poverty level, as defined by the United States government using
4 the 5-year estimates of the poverty rate compiled by the United
5 States Census Bureau in the American Community Survey in the
6 year of the most recent federal decennial census. ~~where less~~
7 ~~than 10% of the residents live below the poverty level, as~~
8 ~~defined by the United States government and determined by the~~
9 ~~most recent United States census, that is located within a~~
10 ~~qualified township, except for census tracts located within any~~
11 ~~township that is located wholly within a municipality with~~
12 ~~1,000,000 or more inhabitants. A census tract that is located~~
13 ~~within a township that is located wholly within a municipality~~
14 ~~with 1,000,000 or more inhabitants is considered a housing~~
15 ~~opportunity area if less than 12% of the residents of the~~
16 ~~census tract live below the poverty level.~~

17 "Housing opportunity unit" means a dwelling unit located in
18 residential property that is located in a housing opportunity
19 area, that is owned by the applicant, and that is rented to and
20 occupied by a tenant who is participating in a housing choice
21 voucher program administered by a housing authority as of
22 January 1st of the tax year for which the application is made.

23 "Qualified units" means the number of housing opportunity
24 units located in the property with the limitation that no more
25 than 2 units or 20% of the total units contained within the
26 property, whichever is greater, may be considered qualified

1 units. Further, no unit may be considered qualified unless the
2 property in which it is contained is in substantial compliance
3 with local building codes, and, moreover, no unit may be
4 considered qualified unless it meets the United States
5 Department of Housing and Urban Development's housing quality
6 standards as of the most recent housing authority inspection.

7 ~~"Qualified township" means a township located within a~~
8 ~~county with 200,000 or more inhabitants whose tax capacity~~
9 ~~exceeds 80% of the average tax capacity of the county in which~~
10 ~~it is located, except for townships located within a county~~
11 ~~with 3,000,000 or more inhabitants, where a qualified township~~
12 ~~means a township whose tax capacity exceeds 115% of the average~~
13 ~~tax capacity of the county except for townships located wholly~~
14 ~~within a municipality with 1,000,000 or more inhabitants. All~~
15 ~~townships located wholly within a municipality with 1,000,000~~
16 ~~or more inhabitants are considered qualified townships.~~

17 ~~"Tax capacity" means the equalized assessed value of all~~
18 ~~taxable real estate located within a township or county divided~~
19 ~~by the total population of that township or county.~~

20 (c) The owner of property located within a housing
21 opportunity area who has a housing choice voucher contract with
22 a housing authority may apply for a housing opportunity area
23 tax abatement by annually submitting an application to the
24 housing authority that administers the housing choice voucher
25 contract. The application must include the number of housing
26 opportunity units as well as the total number of dwelling units

1 contained within the property. The owner must, under oath,
2 self-certify as to the total number of dwelling units in the
3 property and must self-certify that the property is in
4 substantial compliance with local building codes. The housing
5 authority shall annually determine the number of qualified
6 units located within each property for which an application is
7 made.

8 The housing authority shall establish rules and procedures
9 governing the application processes and may charge an
10 application fee. The county clerk may audit the applications to
11 determine that the properties subject to the tax abatement meet
12 the requirements of this Section. The determination of
13 eligibility of a property for the housing opportunity area
14 abatement shall be made annually; ~~however, no property may~~
15 ~~receive an abatement for more than 10 tax years.~~

16 (d) The housing authority shall determine housing
17 opportunity areas within its service area and annually deliver
18 to the county clerk, in a manner determined by the county
19 clerk, a list of all properties containing qualified units
20 within that service area by December 31st of the tax year for
21 which the property is eligible for abatement; the list shall
22 include the number of qualified units and the total number of
23 dwelling units for each property.

24 ~~The county clerk shall deliver annually to a housing~~
25 ~~authority, upon that housing authority's request, the most~~
26 ~~recent available equalized assessed value for the county as a~~

1 ~~whole and for those taxing districts and townships so specified~~
2 ~~by the requesting housing authority.~~

3 (e) The county clerk shall abate the tax attributed to a
4 portion of the property determined to be eligible for a housing
5 opportunity area abatement. The portion eligible for abatement
6 shall be determined by reducing the equalized assessment value
7 by a percentage calculated using the following formula: 19% of
8 the equalized assessed value of the property multiplied by a
9 fraction where the numerator is the number of qualified units
10 and denominator is the total number of dwelling units located
11 within the property.

12 (f) Any municipality, except for municipalities with
13 1,000,000 or more inhabitants, may annually petition the county
14 clerk to be excluded from a housing opportunity area if it is
15 able to demonstrate that more than 2.5% of the total
16 residential units located within that municipality are
17 occupied by tenants under the housing choice voucher program.
18 Properties located within an excluded municipality shall not be
19 eligible for the housing opportunity area abatement for the tax
20 year in which the petition is made.

21 (g) Applicability. This Section applies to tax years 2004
22 through 2024 ~~2014~~, unless extended by law.

23 (Source: P.A. 96-685, eff. 8-25-09.)

24 Section 99. Effective date. This Act takes effect upon
25 becoming law."