

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 20-15 and by adding Section 9-275 as follows:

6 (35 ILCS 200/9-275 new)

7 Sec. 9-275. Erroneous homestead exemptions.

8 (a) For purposes of this Section:

9 "Erroneous homestead exemption" means a homestead  
10 exemption that was granted for real property in a taxable year  
11 if the property was not eligible for that exemption in that  
12 taxable year. If the taxpayer receives an erroneous homestead  
13 exemption under a single Section of this Code for the same  
14 property in multiple years, that exemption is considered a  
15 single erroneous homestead exemption for purposes of this  
16 Section. However, if the taxpayer receives erroneous homestead  
17 exemptions under multiple Sections of this Code for the same  
18 property, or if the taxpayer receives erroneous homestead  
19 exemptions under the same Section of this Code for multiple  
20 properties, then each of those exemptions is considered a  
21 separate erroneous homestead exemption for purposes of this  
22 Section.

23 "Homestead exemption" means an exemption under Section

1 15-165 (disabled veterans), 15-167 (returning veterans),  
2 15-168 (disabled persons), 15-169 (disabled veterans standard  
3 homestead), 15-170 (senior citizens), 15-172 (senior citizens  
4 assessment freeze), 15-175 (general homestead), 15-176  
5 (alternative general homestead), or 15-177 (long-time  
6 occupant).

7 (b) Notwithstanding any other provision of law, in counties  
8 with 3,000,000 or more inhabitants, the chief county assessment  
9 officer shall include the following information with each  
10 assessment notice sent in a general assessment year: (1) a list  
11 of each homestead exemption available under Article 15 of this  
12 Code and a description of the eligibility criteria for that  
13 exemption; (2) a list of each homestead exemption applied to  
14 the property in the current assessment year; (3) information  
15 regarding penalties and interest that may be incurred under  
16 this Section if the property owner received an erroneous  
17 homestead exemption in a previous taxable year; and (4) notice  
18 of the 60-day grace period available under this subsection. If,  
19 within 60 days after receiving his or her assessment notice,  
20 the property owner notifies the chief county assessment officer  
21 that he or she received an erroneous homestead exemption in a  
22 previous assessment year, and if the property owner pays the  
23 principal amount of back taxes due and owing with respect to  
24 that exemption, plus interest as provided in subsection (f),  
25 then the property owner shall not be liable for the penalties  
26 provided in subsection (f) with respect to that exemption.

1       (c) The chief county assessment officer in a county with  
2       3,000,000 or more inhabitants may cause a lien to be recorded  
3       against property that (1) is located in the county and (2)  
4       received one or more erroneous homestead exemptions if, upon  
5       determination of the chief county assessment officer, the  
6       property owner received: (A) one or 2 erroneous homestead  
7       exemptions for real property, including at least one erroneous  
8       homestead exemption granted for the property against which the  
9       lien is sought, during any of the 3 assessment years  
10       immediately prior to the assessment year in which the notice of  
11       intent to record at tax lien is served; or (2) 3 or more  
12       erroneous homestead exemptions for real property, including at  
13       least one erroneous homestead exemption granted for the  
14       property against which the lien is sought, during any of the 6  
15       assessment years immediately prior to the assessment year in  
16       which the notice of intent to record at tax lien is served.  
17       Prior to recording the lien against the property, the chief  
18       county assessment officer shall cause to be served, by both  
19       regular mail and certified mail, return receipt requested, on  
20       the person to whom the most recent tax bill was mailed and the  
21       owner of record, a notice of intent to record a tax lien  
22       against the property.

23       (d) The notice of intent to record a tax lien described in  
24       subsection (c) shall: (1) identify, by property index number,  
25       the property against which the lien is being sought; (2)  
26       identify each specific homestead exemption that was

1 erroneously granted and the year or years in which each  
2 exemption was granted; (3) set forth the arrearage of taxes  
3 that would have been due if not for the erroneous homestead  
4 exemptions; (4) inform the property owner that he or she may  
5 request a hearing within 30 days after service and may appeal  
6 the hearing officer's ruling to the circuit court; and (5)  
7 inform the property owner that he or she may pay the amount  
8 due, plus interest and penalties, within 30 days after service.

9 (e) The notice must also include a form that the property  
10 owner may return to the chief county assessment officer to  
11 request a hearing. The property owner may request a hearing by  
12 returning the form within 30 days after service. The hearing  
13 shall be held within 90 days after the property owner is  
14 served. The chief county assessment officer shall promulgate  
15 rules of service and procedure for the hearing. The chief  
16 county assessment officer must generally follow rules of  
17 evidence and practices that prevail in the county circuit  
18 courts, but, because of the nature of these proceedings, the  
19 chief county assessment officer is not bound by those rules in  
20 all particulars. The chief county assessment officer shall  
21 appoint a hearing officer to oversee the hearing. The property  
22 owner shall be allowed to present evidence to the hearing  
23 officer at the hearing. After taking into consideration all the  
24 relevant testimony and evidence, the hearing officer shall make  
25 an administrative decision on whether the property owner was  
26 erroneously granted a homestead exemption for the assessment

1 year in question. The property owner may appeal the hearing  
2 officer's ruling to the circuit court of the county where the  
3 property is located as a final administrative decision under  
4 the Administrative Review Law.

5 (f) A lien against the property imposed under this Section  
6 shall be filed with the county recorder of deeds, but may not  
7 be filed sooner than 60 days after the notice was delivered to  
8 the property owner if the property owner does not request a  
9 hearing, or until the conclusion of the hearing and all appeals  
10 if the property owner does request a hearing. If a lien is  
11 filed pursuant to this Section and the property owner received  
12 one or 2 erroneous homestead exemptions during any of the 3  
13 assessment years immediately prior to the assessment year in  
14 which the notice of intent to record at tax lien is served,  
15 then the arrearages of taxes that might have been assessed for  
16 that property, plus 10% interest per annum, shall be charged  
17 against the property by the county treasurer. However, if a  
18 lien is filed pursuant to this Section and the property owner  
19 received 3 or more erroneous homestead exemptions during any of  
20 the 6 assessment years immediately prior to the assessment year  
21 in which the notice of intent to record at tax lien is served,  
22 the arrearages of taxes that might have been assessed for that  
23 property, plus a penalty of 50% of the total amount of unpaid  
24 taxes for each year for that property and 10% interest per  
25 annum, shall be charged against the property by the county  
26 treasurer.

1       (g) If a person received an erroneous homestead exemption  
2 under Section 15-170 and: (1) the person was the spouse, child,  
3 grandchild, brother, sister, niece, or nephew of the previous  
4 owner; and (2) the person received the property by bequest or  
5 inheritance; then the person is not liable for the penalties  
6 imposed under this subsection for any year or years during  
7 which the county did not require an annual application for the  
8 exemption. However, that person is responsible for any interest  
9 owed under subsection (f).

10       (h) If the erroneous homestead exemption was granted as a  
11 result of a clerical error or omission on the part of the chief  
12 county assessment officer, and if the owner has paid its tax  
13 bills as received for the year in which the error occurred,  
14 then the interest and penalties authorized by this Section with  
15 respect to that homestead exemption shall not be chargeable to  
16 the owner. However, nothing in this Section shall prevent the  
17 collection of the principal amount of back taxes due and owing.

18       (i) A lien under this Section is not valid as to (1) any  
19 bona fide purchaser for value without notice of the erroneous  
20 homestead exemption whose rights in and to the underlying  
21 parcel arose after the erroneous homestead exemption was  
22 granted but before the filing of the notice of lien; or (2) any  
23 mortgagee, judgment creditor, or other lienor whose rights in  
24 and to the underlying parcel arose before the filing of the  
25 notice of lien. A title insurance policy for the property that  
26 is issued by a title company licensed to do business in the

1 State showing that the property is free and clear of any liens  
2 imposed under this Section shall be prima facie evidence that  
3 the property owner is without notice of the erroneous homestead  
4 exemption. Nothing in this Section shall be deemed to impair  
5 the rights of subsequent creditors and subsequent purchasers  
6 under Section 30 of the Conveyances Act.

7 (j) When a lien is filed against the property pursuant to  
8 this Section, the chief county assessment officer shall mail a  
9 copy of the lien to the person to whom the most recent tax bill  
10 was mailed and to the owner of record, and the outstanding  
11 liability created by such a lien is due and payable within 30  
12 days after the mailing of the lien by the chief county  
13 assessment officer. Payment shall be made to the chief county  
14 assessment officer who shall, upon receipt of the full amount  
15 due, provide in reasonable form a release of the lien and shall  
16 transmit the funds received to the county treasurer for  
17 distribution as provided in subsection (i) of this Section.  
18 This liability is deemed delinquent and shall bear interest  
19 beginning on the day after the due date.

20 (k) The unpaid taxes shall be paid to the appropriate  
21 taxing districts. Interest shall be paid to the county where  
22 the property is located. The penalty shall be paid to the chief  
23 county assessment officer's office for the administration of  
24 the provisions of this amendatory Act of the 98th General  
25 Assembly.

26 (l) The chief county assessment officer in a county with

1 3,000,000 or more inhabitants shall establish an amnesty period  
2 for all taxpayers owing any tax due to an erroneous homestead  
3 exemption granted in a tax year prior to the 2013 tax year. The  
4 amnesty period shall begin on the effective date of this  
5 amendatory Act of the 98th General Assembly and shall run  
6 through December 31, 2013. If, during the amnesty period, the  
7 taxpayer pays the entire arrearage of taxes due for tax years  
8 prior to 2013, the county clerk shall abate and not seek to  
9 collect any interest or penalties that may be applicable and  
10 shall not seek civil or criminal prosecution for any taxpayer  
11 for tax years prior to 2013. Failure to pay all such taxes due  
12 during the amnesty period established under this Section shall  
13 invalidate the amnesty period for that taxpayer.

14 The chief county assessment officer in a county with  
15 3,000,000 or more inhabitants shall (i) mail notice of the  
16 amnesty period with the tax bills for the second installment of  
17 taxes for the 2012 assessment year and (ii) as soon as possible  
18 after the effective date of this amendatory Act of the 98th  
19 General Assembly, publish notice of the amnesty period in a  
20 newspaper of general circulation in the county. Notices shall  
21 include information on the amnesty period, its purpose, and the  
22 method in which to make payment.

23 Taxpayers who are a party to any criminal investigation or  
24 to any civil or criminal litigation that is pending in any  
25 circuit court or appellate court, or in the Supreme Court of  
26 this State, for nonpayment, delinquency, or fraud in relation



1 to any property tax imposed by any taxing district located in  
2 the State on the effective date of this amendatory Act of the  
3 98th General Assembly may not take advantage of the amnesty  
4 period.

5 A taxpayer who has claimed 3 or more homestead exemptions  
6 in error shall not be eligible for the amnesty period  
7 established under this subsection.

8 (35 ILCS 200/20-15)

9 Sec. 20-15. Information on bill or separate statement.  
10 There shall be printed on each bill, or on a separate slip  
11 which shall be mailed with the bill:

12 (a) a statement itemizing the rate at which taxes have  
13 been extended for each of the taxing districts in the  
14 county in whose district the property is located, and in  
15 those counties utilizing electronic data processing  
16 equipment the dollar amount of tax due from the person  
17 assessed allocable to each of those taxing districts,  
18 including a separate statement of the dollar amount of tax  
19 due which is allocable to a tax levied under the Illinois  
20 Local Library Act or to any other tax levied by a  
21 municipality or township for public library purposes,

22 (b) a separate statement for each of the taxing  
23 districts of the dollar amount of tax due which is  
24 allocable to a tax levied under the Illinois Pension Code  
25 or to any other tax levied by a municipality or township

1 for public pension or retirement purposes,  
2 (c) the total tax rate,  
3 (d) the total amount of tax due, and  
4 (e) the amount by which the total tax and the tax  
5 allocable to each taxing district differs from the  
6 taxpayer's last prior tax bill.

7 The county treasurer shall ensure that only those taxing  
8 districts in which a parcel of property is located shall be  
9 listed on the bill for that property.

10 In all counties the statement shall also provide:

11 (1) the property index number or other suitable  
12 description,

13 (2) the assessment of the property,

14 (3) the statutory amount of each homestead exemption  
15 applied to the property,

16 (4) the assessed value of the property after  
17 application of all homestead exemptions,

18 (5) ~~(3)~~ the equalization factors imposed by the county  
19 and by the Department, and

20 (6) ~~(4)~~ the equalized assessment resulting from the  
21 application of the equalization factors to the basic  
22 assessment.

23 In all counties which do not classify property for purposes  
24 of taxation, for property on which a single family residence is  
25 situated the statement shall also include a statement to  
26 reflect the fair cash value determined for the property. In all

1 counties which classify property for purposes of taxation in  
2 accordance with Section 4 of Article IX of the Illinois  
3 Constitution, for parcels of residential property in the lowest  
4 assessment classification the statement shall also include a  
5 statement to reflect the fair cash value determined for the  
6 property.

7 In all counties, the statement must include information  
8 that certain taxpayers may be eligible for tax exemptions,  
9 abatements, and other assistance programs and that, for more  
10 information, taxpayers should consult with the office of their  
11 township or county assessor and with the Illinois Department of  
12 Revenue.

13 In all counties, the statement shall include information  
14 that certain taxpayers may be eligible for the Senior Citizens  
15 and Disabled Persons Property Tax Relief Act and that  
16 applications are available from the Illinois Department on  
17 Aging.

18 In counties which use the estimated or accelerated billing  
19 methods, these statements shall only be provided with the final  
20 installment of taxes due. The provisions of this Section create  
21 a mandatory statutory duty. They are not merely directory or  
22 discretionary. The failure or neglect of the collector to mail  
23 the bill, or the failure of the taxpayer to receive the bill,  
24 shall not affect the validity of any tax, or the liability for  
25 the payment of any tax.

26 (Source: P.A. 97-689, eff. 6-14-12.)

1           Section 99. Effective date. This Act takes effect June 1,  
2    2013.