



Sen. Toi W. Hutchinson

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LRB098 09919 HLH 42291 a

1 AMENDMENT TO SENATE BILL 1894

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1894 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Property Tax Code is amended by changing  
5 Sections 15-170 and 15-175 as follows:

6 (35 ILCS 200/15-170)

7 Sec. 15-170. Senior Citizens Homestead Exemption. An  
8 annual homestead exemption limited, except as described here  
9 with relation to cooperatives or life care facilities, to a  
10 maximum reduction set forth below from the property's value, as  
11 equalized or assessed by the Department, is granted for  
12 property that is occupied as a residence by a person 65 years  
13 of age or older who is liable for paying real estate taxes on  
14 the property and is an owner of record of the property or has a  
15 legal or equitable interest therein as evidenced by a written  
16 instrument, except for a leasehold interest, other than a

1 leasehold interest of land on which a single family residence  
2 is located, which is occupied as a residence by a person 65  
3 years or older who has an ownership interest therein, legal,  
4 equitable or as a lessee, and on which he or she is liable for  
5 the payment of property taxes. Before taxable year 2004, the  
6 maximum reduction shall be \$2,500 in counties with 3,000,000 or  
7 more inhabitants and \$2,000 in all other counties. For taxable  
8 years 2004 through 2005, the maximum reduction shall be \$3,000  
9 in all counties. For taxable years 2006 and 2007, the maximum  
10 reduction shall be \$3,500. For and, ~~for~~ taxable years 2008  
11 through 2011 and thereafter, the maximum reduction is \$4,000 in  
12 all counties. For taxable year 2012, the maximum reduction is  
13 \$5,000 in counties with 3,000,000 or more inhabitants and  
14 \$4,000 in all other counties. For taxable years 2013 and  
15 thereafter, the maximum reduction is \$5,000 in all counties.

16 For land improved with an apartment building owned and  
17 operated as a cooperative, the maximum reduction from the value  
18 of the property, as equalized by the Department, shall be  
19 multiplied by the number of apartments or units occupied by a  
20 person 65 years of age or older who is liable, by contract with  
21 the owner or owners of record, for paying property taxes on the  
22 property and is an owner of record of a legal or equitable  
23 interest in the cooperative apartment building, other than a  
24 leasehold interest. For land improved with a life care  
25 facility, the maximum reduction from the value of the property,  
26 as equalized by the Department, shall be multiplied by the

1 number of apartments or units occupied by persons 65 years of  
2 age or older, irrespective of any legal, equitable, or  
3 leasehold interest in the facility, who are liable, under a  
4 contract with the owner or owners of record of the facility,  
5 for paying property taxes on the property. In a cooperative or  
6 a life care facility where a homestead exemption has been  
7 granted, the cooperative association or the management firm of  
8 the cooperative or facility shall credit the savings resulting  
9 from that exemption only to the apportioned tax liability of  
10 the owner or resident who qualified for the exemption. Any  
11 person who willfully refuses to so credit the savings shall be  
12 guilty of a Class B misdemeanor. Under this Section and  
13 Sections 15-175, 15-176, and 15-177, "life care facility" means  
14 a facility, as defined in Section 2 of the Life Care Facilities  
15 Act, with which the applicant for the homestead exemption has a  
16 life care contract as defined in that Act.

17 When a homestead exemption has been granted under this  
18 Section and the person qualifying subsequently becomes a  
19 resident of a facility licensed under the Assisted Living and  
20 Shared Housing Act, the Nursing Home Care Act, the Specialized  
21 Mental Health Rehabilitation Act, or the ID/DD Community Care  
22 Act, the exemption shall continue so long as the residence  
23 continues to be occupied by the qualifying person's spouse if  
24 the spouse is 65 years of age or older, or if the residence  
25 remains unoccupied but is still owned by the person qualified  
26 for the homestead exemption.

1           A person who will be 65 years of age during the current  
2 assessment year shall be eligible to apply for the homestead  
3 exemption during that assessment year. Application shall be  
4 made during the application period in effect for the county of  
5 his residence.

6           Beginning with assessment year 2003, for taxes payable in  
7 2004, property that is first occupied as a residence after  
8 January 1 of any assessment year by a person who is eligible  
9 for the senior citizens homestead exemption under this Section  
10 must be granted a pro-rata exemption for the assessment year.  
11 The amount of the pro-rata exemption is the exemption allowed  
12 in the county under this Section divided by 365 and multiplied  
13 by the number of days during the assessment year the property  
14 is occupied as a residence by a person eligible for the  
15 exemption under this Section. The chief county assessment  
16 officer must adopt reasonable procedures to establish  
17 eligibility for this pro-rata exemption.

18           The assessor or chief county assessment officer may  
19 determine the eligibility of a life care facility to receive  
20 the benefits provided by this Section, by affidavit,  
21 application, visual inspection, questionnaire or other  
22 reasonable methods in order to insure that the tax savings  
23 resulting from the exemption are credited by the management  
24 firm to the apportioned tax liability of each qualifying  
25 resident. The assessor may request reasonable proof that the  
26 management firm has so credited the exemption.

1           The chief county assessment officer of each county with  
2 less than 3,000,000 inhabitants shall provide to each person  
3 allowed a homestead exemption under this Section a form to  
4 designate any other person to receive a duplicate of any notice  
5 of delinquency in the payment of taxes assessed and levied  
6 under this Code on the property of the person receiving the  
7 exemption. The duplicate notice shall be in addition to the  
8 notice required to be provided to the person receiving the  
9 exemption, and shall be given in the manner required by this  
10 Code. The person filing the request for the duplicate notice  
11 shall pay a fee of \$5 to cover administrative costs to the  
12 supervisor of assessments, who shall then file the executed  
13 designation with the county collector. Notwithstanding any  
14 other provision of this Code to the contrary, the filing of  
15 such an executed designation requires the county collector to  
16 provide duplicate notices as indicated by the designation. A  
17 designation may be rescinded by the person who executed such  
18 designation at any time, in the manner and form required by the  
19 chief county assessment officer.

20           The assessor or chief county assessment officer may  
21 determine the eligibility of residential property to receive  
22 the homestead exemption provided by this Section by  
23 application, visual inspection, questionnaire or other  
24 reasonable methods. The determination shall be made in  
25 accordance with guidelines established by the Department.

26           In counties with 3,000,000 or more inhabitants, beginning

1 in taxable year 2010, each taxpayer who has been granted an  
2 exemption under this Section must reapply on an annual basis.  
3 The chief county assessment officer shall mail the application  
4 to the taxpayer. In counties with less than 3,000,000  
5 inhabitants, the county board may by resolution provide that if  
6 a person has been granted a homestead exemption under this  
7 Section, the person qualifying need not reapply for the  
8 exemption.

9 In counties with less than 3,000,000 inhabitants, if the  
10 assessor or chief county assessment officer requires annual  
11 application for verification of eligibility for an exemption  
12 once granted under this Section, the application shall be  
13 mailed to the taxpayer.

14 The assessor or chief county assessment officer shall  
15 notify each person who qualifies for an exemption under this  
16 Section that the person may also qualify for deferral of real  
17 estate taxes under the Senior Citizens Real Estate Tax Deferral  
18 Act. The notice shall set forth the qualifications needed for  
19 deferral of real estate taxes, the address and telephone number  
20 of county collector, and a statement that applications for  
21 deferral of real estate taxes may be obtained from the county  
22 collector.

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 (Source: P.A. 96-339, eff. 7-1-10; 96-355, eff. 1-1-10;

1 96-1000, eff. 7-2-10; 96-1418, eff. 8-2-10; 97-38, eff.  
2 6-28-11; 97-227, eff. 1-1-12; 97-813, eff. 7-13-12.)

3 (35 ILCS 200/15-175)

4 Sec. 15-175. General homestead exemption.

5 (a) Except as provided in Sections 15-176 and 15-177,  
6 homestead property is entitled to an annual homestead exemption  
7 limited, except as described here with relation to  
8 cooperatives, to a reduction in the equalized assessed value of  
9 homestead property equal to the increase in equalized assessed  
10 value for the current assessment year above the equalized  
11 assessed value of the property for 1977, up to the maximum  
12 reduction set forth below. If however, the 1977 equalized  
13 assessed value upon which taxes were paid is subsequently  
14 determined by local assessing officials, the Property Tax  
15 Appeal Board, or a court to have been excessive, the equalized  
16 assessed value which should have been placed on the property  
17 for 1977 shall be used to determine the amount of the  
18 exemption.

19 (b) Except as provided in Section 15-176, the maximum  
20 reduction before taxable year 2004 shall be \$4,500 in counties  
21 with 3,000,000 or more inhabitants and \$3,500 in all other  
22 counties. Except as provided in Sections 15-176 and 15-177, for  
23 taxable years 2004 through 2007, the maximum reduction shall be  
24 \$5,000, for taxable year 2008, the maximum reduction is \$5,500,  
25 and, for taxable years 2009 through 2011 ~~and thereafter~~, the

1 maximum reduction is \$6,000 in all counties. For taxable years  
2 2012 and thereafter, the maximum reduction is \$7,000 in  
3 counties with 3,000,000 or more inhabitants and \$6,000 in all  
4 other counties. If a county has elected to subject itself to  
5 the provisions of Section 15-176 as provided in subsection (k)  
6 of that Section, then, for the first taxable year only after  
7 the provisions of Section 15-176 no longer apply, for owners  
8 who, for the taxable year, have not been granted a senior  
9 citizens assessment freeze homestead exemption under Section  
10 15-172 or a long-time occupant homestead exemption under  
11 Section 15-177, there shall be an additional exemption of  
12 \$5,000 for owners with a household income of \$30,000 or less.

13 (c) In counties with fewer than 3,000,000 inhabitants, if,  
14 based on the most recent assessment, the equalized assessed  
15 value of the homestead property for the current assessment year  
16 is greater than the equalized assessed value of the property  
17 for 1977, the owner of the property shall automatically receive  
18 the exemption granted under this Section in an amount equal to  
19 the increase over the 1977 assessment up to the maximum  
20 reduction set forth in this Section.

21 (d) If in any assessment year beginning with the 2000  
22 assessment year, homestead property has a pro-rata valuation  
23 under Section 9-180 resulting in an increase in the assessed  
24 valuation, a reduction in equalized assessed valuation equal to  
25 the increase in equalized assessed value of the property for  
26 the year of the pro-rata valuation above the equalized assessed



1 value of the property for 1977 shall be applied to the property  
2 on a proportionate basis for the period the property qualified  
3 as homestead property during the assessment year. The maximum  
4 proportionate homestead exemption shall not exceed the maximum  
5 homestead exemption allowed in the county under this Section  
6 divided by 365 and multiplied by the number of days the  
7 property qualified as homestead property.

8 (e) The chief county assessment officer may, when  
9 considering whether to grant a leasehold exemption under this  
10 Section, require the following conditions to be met:

11 (1) that a notarized application for the exemption,  
12 signed by both the owner and the lessee of the property,  
13 must be submitted each year during the application period  
14 in effect for the county in which the property is located;

15 (2) that a copy of the lease must be filed with the  
16 chief county assessment officer by the owner of the  
17 property at the time the notarized application is  
18 submitted;

19 (3) that the lease must expressly state that the lessee  
20 is liable for the payment of property taxes; and

21 (4) that the lease must include the following language  
22 in substantially the following form:

23 "Lessee shall be liable for the payment of real  
24 estate taxes with respect to the residence in  
25 accordance with the terms and conditions of Section  
26 15-175 of the Property Tax Code (35 ILCS 200/15-175)."

1           The permanent real estate index number for the premises  
2           is (insert number), and, according to the most recent  
3           property tax bill, the current amount of real estate  
4           taxes associated with the premises is (insert amount)  
5           per year. The parties agree that the monthly rent set  
6           forth above shall be increased or decreased pro rata  
7           (effective January 1 of each calendar year) to reflect  
8           any increase or decrease in real estate taxes. Lessee  
9           shall be deemed to be satisfying Lessee's liability for  
10          the above mentioned real estate taxes with the monthly  
11          rent payments as set forth above (or increased or  
12          decreased as set forth herein).".

13           In addition, if there is a change in lessee, or if the  
14          lessee vacates the property, then the chief county assessment  
15          officer may require the owner of the property to notify the  
16          chief county assessment officer of that change.

17           This subsection (e) does not apply to leasehold interests  
18          in property owned by a municipality.

19           (f) "Homestead property" under this Section includes  
20          residential property that is occupied by its owner or owners as  
21          his or their principal dwelling place, or that is a leasehold  
22          interest on which a single family residence is situated, which  
23          is occupied as a residence by a person who has an ownership  
24          interest therein, legal or equitable or as a lessee, and on  
25          which the person is liable for the payment of property taxes.  
26          For land improved with an apartment building owned and operated

1 as a cooperative or a building which is a life care facility as  
2 defined in Section 15-170 and considered to be a cooperative  
3 under Section 15-170, the maximum reduction from the equalized  
4 assessed value shall be limited to the increase in the value  
5 above the equalized assessed value of the property for 1977, up  
6 to the maximum reduction set forth above, multiplied by the  
7 number of apartments or units occupied by a person or persons  
8 who is liable, by contract with the owner or owners of record,  
9 for paying property taxes on the property and is an owner of  
10 record of a legal or equitable interest in the cooperative  
11 apartment building, other than a leasehold interest. For  
12 purposes of this Section, the term "life care facility" has the  
13 meaning stated in Section 15-170.

14 "Household", as used in this Section, means the owner, the  
15 spouse of the owner, and all persons using the residence of the  
16 owner as their principal place of residence.

17 "Household income", as used in this Section, means the  
18 combined income of the members of a household for the calendar  
19 year preceding the taxable year.

20 "Income", as used in this Section, has the same meaning as  
21 provided in Section 3.07 of the Senior Citizens and Disabled  
22 Persons Property Tax Relief Act, except that "income" does not  
23 include veteran's benefits.

24 (g) In a cooperative where a homestead exemption has been  
25 granted, the cooperative association or its management firm  
26 shall credit the savings resulting from that exemption only to

1 the apportioned tax liability of the owner who qualified for  
2 the exemption. Any person who willfully refuses to so credit  
3 the savings shall be guilty of a Class B misdemeanor.

4 (h) Where married persons maintain and reside in separate  
5 residences qualifying as homestead property, each residence  
6 shall receive 50% of the total reduction in equalized assessed  
7 valuation provided by this Section.

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

26 (j) In counties with fewer than 3,000,000 inhabitants, in

1 the event of a sale of homestead property the homestead  
2 exemption shall remain in effect for the remainder of the  
3 assessment year of the sale. The assessor or chief county  
4 assessment officer may require the new owner of the property to  
5 apply for the homestead exemption for the following assessment  
6 year.

7 (k) Notwithstanding Sections 6 and 8 of the State Mandates  
8 Act, no reimbursement by the State is required for the  
9 implementation of any mandate created by this Section.

10 (Source: P.A. 97-689, eff. 6-14-12; 97-1125, eff. 8-28-12;  
11 revised 9-20-12.)

12 Section 99. Effective date. This Act takes effect upon  
13 becoming law."