

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 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
17 the United States Housing Act of 1937 to administer a housing
18 choice voucher program, or the authorized agent of such a
19 housing authority that is authorized to act upon that
20 authority's behalf.

21 "Housing choice voucher" means a tenant voucher issued by a
22 housing authority under Section 8 of the United States Housing
23 Act of 1937 and a tenant voucher converted to a project-based

1 voucher by a housing authority.

2 "Housing opportunity area" means a census tract where less
3 than 10% of the residents live below the poverty level, as
4 defined by the United States government and determined by the
5 most recent United States census, that is located within a
6 qualified township, except for census tracts located within any
7 township that is located wholly within a municipality with
8 1,000,000 or more inhabitants. A census tract that is located
9 within a township that is located wholly within a municipality
10 with 1,000,000 or more inhabitants is considered a housing
11 opportunity area if less than 12% of the residents of the
12 census tract live below the poverty level.

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

19 "Qualified units" means the number of housing opportunity
20 units located in the property with the limitation that no more
21 than 2 units or 20% of the total units contained within the
22 property, whichever is greater, may be considered qualified
23 units. Further, no unit may be considered qualified unless the
24 property in which it is contained is in substantial compliance
25 with local building codes, and, moreover, no unit may be
26 considered qualified unless it meets the United States

1 Department of Housing and Urban Development's housing quality
2 standards as of the most recent housing authority inspection.

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

13 "Tax capacity" means the equalized assessed value of all
14 taxable real estate located within a township or county divided
15 by the total population of that township or county.

16 (c) The owner of property located within a housing
17 opportunity area who has a housing choice voucher contract with
18 a housing authority may apply for a housing opportunity area
19 tax abatement by annually submitting an application to the
20 housing authority that administers the housing choice voucher
21 contract. The application must include the number of housing
22 opportunity units as well as the total number of dwelling units
23 contained within the property. The owner must, under oath,
24 self-certify as to the total number of dwelling units in the
25 property and must self-certify that the property is in
26 substantial compliance with local building codes. The housing

1 authority shall annually determine the number of qualified
2 units located within each property for which an application is
3 made.

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

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

20 The county clerk shall deliver annually to a housing
21 authority, upon that housing authority's request, the most
22 recent available equalized assessed value for the county as a
23 whole and for those taxing districts and townships so specified
24 by the requesting housing authority.

25 (e) The county clerk shall abate the tax attributed to a
26 portion of the property determined to be eligible for a housing

1 opportunity area abatement. The portion eligible for abatement
2 shall be determined by reducing the equalized assessment value
3 by a percentage calculated using the following formula: 19% of
4 the equalized assessed value of the property multiplied by a
5 fraction where the numerator is the number of qualified units
6 and denominator is the total number of dwelling units located
7 within the property.

8 (f) Any municipality, except for municipalities with
9 1,000,000 or more inhabitants, may annually petition the county
10 clerk to be excluded from a housing opportunity area if it is
11 able to demonstrate that more than 2.5% of the total
12 residential units located within that municipality are
13 occupied by tenants under the housing choice voucher program.
14 Properties located within an excluded municipality shall not be
15 eligible for the housing opportunity area abatement for the tax
16 year in which the petition is made.

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

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

20 Section 99. Effective date. This Act takes effect upon
21 becoming law.