



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB1352

Introduced 2/4/2015, by Rep. Jay Hoffman

SYNOPSIS AS INTRODUCED:

35 ILCS 200/9-45
35 ILCS 200/11-10
35 ILCS 200/11-15
35 ILCS 200/11-25

Amends the Property Tax Code. Provides that property that is (i) located within a county of less than 1,000,000 inhabitants and (ii) used for a petroleum refinery may be the subject of a real property tax assessment settlement agreement if litigation is or was pending as to its assessed valuation as of January 1, 2003 or thereafter. Provides that wind turbines and ethanol producing facilities shall not be considered pollution control facilities. Makes changes concerning the valuation of pollution control facilities. Provides that the effective date of a certificate for designation as a pollution control facility shall be January 1 of the year in which the certificate is issued (instead of the date of application for the certificate or the date of the construction of the facility, whichever is later).

LRB099 06472 HLH 26543 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

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 Sections 9-45, 11-10, 11-15, and 11-25 as follows:

6 (35 ILCS 200/9-45)

7 Sec. 9-45. Property index number system. The county clerk
8 in counties of 3,000,000 or more inhabitants and, subject to
9 the approval of the county board, the chief county assessment
10 officer or recorder, in counties of less than 3,000,000
11 inhabitants, may establish a property index number system under
12 which property may be listed for purposes of assessment,
13 collection of taxes or automation of the office of the
14 recorder. The system may be adopted in addition to, or instead
15 of, the method of listing by legal description as provided in
16 Section 9-40. The system shall describe property by township,
17 section, block, and parcel or lot, and may cross-reference the
18 street or post office address, if any, and street code number,
19 if any. The county clerk, county treasurer, chief county
20 assessment officer or recorder may establish and maintain cross
21 indexes of numbers assigned under the system with the complete
22 legal description of the properties to which the numbers
23 relate. Index numbers shall be assigned by the county clerk in

1 counties of 3,000,000 or more inhabitants, and, at the
2 direction of the county board in counties with less than
3 3,000,000 inhabitants, shall be assigned by the chief county
4 assessment officer or recorder. Tax maps of the county clerk,
5 county treasurer or chief county assessment officer shall carry
6 those numbers. The indexes shall be open to public inspection
7 and be made available to the public. Any property index number
8 system established prior to the effective date of this Code
9 shall remain valid. However, in counties with less than
10 3,000,000 inhabitants, the system may be transferred to another
11 authority upon the approval of the county board.

12 Any real property used for a power generating or automotive
13 manufacturing facility located within a county of less than
14 1,000,000 inhabitants, as to which litigation with respect to
15 its assessed valuation is pending or was pending as of January
16 1, 1993, may be the subject of a real property tax assessment
17 settlement agreement among the taxpayer and taxing districts in
18 which it is situated. In addition, any real property that is
19 located within a county of less than 1,000,000 inhabitants and
20 is (i) used for natural gas extraction and fractionation or
21 olefin and polymer manufacturing or (ii) used for a petroleum
22 refinery and (ii) located within a county of less than
23 1,000,000 inhabitants may be the subject of a real property tax
24 assessment settlement agreement among the taxpayer and taxing
25 districts in which the property is situated if litigation is or
26 was pending as to its assessed valuation as of January 1, 2003

1 or thereafter. Other appropriate authorities, which may
2 include county and State boards or officials, may also be
3 parties to such agreements. Such agreements may include the
4 assessment of the facility or property for any years in dispute
5 as well as for up to 10 years in the future. Such agreements
6 may provide for the settlement of issues relating to the
7 assessed value of the facility and may provide for related
8 payments, refunds, claims, credits against taxes and
9 liabilities in respect to past and future taxes of taxing
10 districts, including any fund created under Section 20-35 of
11 this Act, all implementing the settlement agreement. Any such
12 agreement may provide that parties thereto agree not to
13 challenge assessments as provided in the agreement. An
14 agreement entered into on or after January 1, 1993 may provide
15 for the classification of property that is the subject of the
16 agreement as real or personal during the term of the agreement
17 and thereafter. It may also provide that taxing districts agree
18 to reimburse the taxpayer for amounts paid by the taxpayer in
19 respect to taxes for the real property which is the subject of
20 the agreement to the extent levied by those respective
21 districts, over and above amounts which would be due if the
22 facility were to be assessed as provided in the agreement. Such
23 reimbursement may be provided in the agreement to be made by
24 credit against taxes of the taxpayer. No credits shall be
25 applied against taxes levied with respect to debt service or
26 lease payments of a taxing district. No referendum approval or

1 appropriation shall be required for such an agreement or such
2 credits and any such obligation shall not constitute
3 indebtedness of the taxing district for purposes of any
4 statutory limitation. The county collector shall treat
5 credited amounts as if they had been received by the collector
6 as taxes paid by the taxpayer and as if remitted to the
7 district. A county treasurer who is a party to such an
8 agreement may agree to hold amounts paid in escrow as provided
9 in the agreement for possible use for paying taxes until
10 conditions of the agreement are met and then to apply these
11 amounts as provided in the agreement. No such settlement
12 agreement shall be effective unless it shall have been approved
13 by the court in which such litigation is pending. Any such
14 agreement which has been entered into prior to adoption of this
15 amendatory Act of 1988 and which is contingent upon enactment
16 of authorizing legislation shall be binding and enforceable.

17 (Source: P.A. 96-609, eff. 8-24-09.)

18 (35 ILCS 200/11-10)

19 Sec. 11-10. Definition of pollution control facilities.
20 "Pollution control facilities" means any system, method,
21 construction, device or appliance appurtenant thereto, or any
22 portion of any building or equipment, that is designed,
23 constructed, installed or operated for the primary purpose of:
24 (a) eliminating, preventing, or reducing air or water
25 pollution, as the terms "air pollution" and "water pollution"

1 are defined in the Environmental Protection Act, or complying
2 with federal or State requirements enacted or promulgated to
3 eliminate, prevent, or reduce air pollution or water pollution;
4 or

5 (b) treating, pretreating, modifying or disposing of any
6 potential solid, liquid or gaseous pollutant which if released
7 without treatment, pretreatment, modification or disposal
8 might be harmful, detrimental or offensive to human, plant or
9 animal life, or to property. "Pollution control facilities"
10 shall not include, however,

11 (1) any facility with the primary purpose of (i)
12 eliminating, containing, preventing or reducing
13 radioactive contaminants or energy, or (ii) treating waste
14 water produced by the nuclear generation of electric power,

15 (2) any large diameter pipes or piping systems used to
16 remove and disperse heat from water involved in the nuclear
17 generation of electric power,

18 (3) any facility operated by any person other than a
19 unit of government, whether within or outside of the
20 territorial boundaries of a unit of local government, for
21 sewage disposal or treatment, ~~or~~

22 (4) land underlying a cooling pond, ~~or~~

23 (5) wind turbines,

24 (6) ethanol producing facilities, except that systems,
25 methods, construction, devices, or appliances appurtenant
26 to those ethanol producing facilities may be considered

1 pollution control facilities for the purposes of this Act.

2 (Source: P.A. 83-883; 88-455.)

3 (35 ILCS 200/11-15)

4 Sec. 11-15. Method of valuation for pollution control
5 facilities. To determine 33 1/3% of the fair cash value of any
6 certified pollution control facilities in assessing those
7 facilities, the Department shall take into consideration ~~the~~
8 ~~actual or probable net earnings attributable to the facilities~~
9 ~~in question, capitalized on the basis of their productive~~
10 ~~earning value to their owner;~~ the probable net value which
11 could be realized by their owner if the facilities were removed
12 and sold at a fair, voluntary sale, giving due account to the
13 expense of removal and condition of the particular facilities
14 in question; and other information as the Department may
15 consider as bearing on the fair cash value of the facilities to
16 their owner, consistent with the principles set forth in this
17 Section. ~~For the purposes of this Code, earnings shall be~~
18 ~~attributed to a pollution control facility only to the extent~~
19 ~~that its operation results in the production of a commercially~~
20 ~~saleable by product or increases the production or reduces the~~
21 ~~production costs of the products or services otherwise sold by~~
22 ~~the owner of such facility.~~

23 (Source: P.A. 83-121; 88-455.)

24 (35 ILCS 200/11-25)

1 Sec. 11-25. Certification procedure. Application for a
2 pollution control facility certificate shall be filed with the
3 Pollution Control Board in a manner and form prescribed in
4 regulations issued by that board. The application shall contain
5 appropriate and available descriptive information concerning
6 anything claimed to be entitled in whole or in part to tax
7 treatment as a pollution control facility. If it is found that
8 the claimed facility or relevant portion thereof is a pollution
9 control facility as defined in Section 11-10, the Pollution
10 Control Board, acting through its Chairman or his or her
11 specifically authorized delegate, shall enter a finding and
12 issue a certificate to that effect. The certificate shall
13 require tax treatment as a pollution control facility, but only
14 for the portion certified if only a portion is certified. The
15 effective date of a certificate shall be January 1 of the year
16 in which the certificate is issued ~~the date of application for~~
17 ~~the certificate or the date of the construction of the~~
18 ~~facility, which ever is later.~~

19 (Source: P.A. 76-2451; 88-455.)