



Sen. Emil Jones, III

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LRB099 06575 HLH 33412 a

1 AMENDMENT TO SENATE BILL 780

2 AMENDMENT NO. _____. Amend Senate Bill 780 by replacing
3 everything after the enacting clause with the following:

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

6 (35 ILCS 200/15-175)

7 Sec. 15-175. General homestead exemption.

8 (a) Except as provided in Sections 15-176 and 15-177,
9 homestead property is entitled to an annual homestead exemption
10 limited, except as described here with relation to
11 cooperatives, to a reduction in the equalized assessed value of
12 homestead property equal to the increase in equalized assessed
13 value for the current assessment year above the equalized
14 assessed value of the property for 1977, up to the maximum
15 reduction set forth below. If however, the 1977 equalized
16 assessed value upon which taxes were paid is subsequently

1 determined by local assessing officials, the Property Tax
2 Appeal Board, or a court to have been excessive, the equalized
3 assessed value which should have been placed on the property
4 for 1977 shall be used to determine the amount of the
5 exemption.

6 (b) Except as provided in Section 15-176, the maximum
7 reduction before taxable year 2004 shall be \$4,500 in counties
8 with 3,000,000 or more inhabitants and \$3,500 in all other
9 counties. Except as provided in Sections 15-176 and 15-177, for
10 taxable years 2004 through 2007, the maximum reduction shall be
11 \$5,000, for taxable year 2008, the maximum reduction is \$5,500,
12 and, for taxable years 2009 through 2011, the maximum reduction
13 is \$6,000 in all counties. For taxable years 2012 and
14 thereafter, the maximum reduction is \$7,000 in counties with
15 3,000,000 or more inhabitants and \$6,000 in all other counties.
16 If a county has elected to subject itself to the provisions of
17 Section 15-176 as provided in subsection (k) of that Section,
18 then, for the first taxable year only after the provisions of
19 Section 15-176 no longer apply, for owners who, for the taxable
20 year, have not been granted a senior citizens assessment freeze
21 homestead exemption under Section 15-172 or a long-time
22 occupant homestead exemption under Section 15-177, there shall
23 be an additional exemption of \$5,000 for owners with a
24 household income of \$30,000 or less.

25 (c) In counties with fewer than 3,000,000 inhabitants, if,
26 based on the most recent assessment, the equalized assessed

1 value of the homestead property for the current assessment year
2 is greater than the equalized assessed value of the property
3 for 1977, the owner of the property shall automatically receive
4 the exemption granted under this Section in an amount equal to
5 the increase over the 1977 assessment up to the maximum
6 reduction set forth in this Section.

7 (d) If in any assessment year beginning with the 2000
8 assessment year, homestead property has a pro-rata valuation
9 under Section 9-180 resulting in an increase in the assessed
10 valuation, a reduction in equalized assessed valuation equal to
11 the increase in equalized assessed value of the property for
12 the year of the pro-rata valuation above the equalized assessed
13 value of the property for 1977 shall be applied to the property
14 on a proportionate basis for the period the property qualified
15 as homestead property during the assessment year. The maximum
16 proportionate homestead exemption shall not exceed the maximum
17 homestead exemption allowed in the county under this Section
18 divided by 365 and multiplied by the number of days the
19 property qualified as homestead property.

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

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

1 (2) that a copy of the lease must be filed with the
2 chief county assessment officer by the owner of the
3 property at the time the notarized application is
4 submitted;

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

7 (4) that the lease must include the following language
8 in substantially the following form:

9 "Lessee shall be liable for the payment of real
10 estate taxes with respect to the residence in
11 accordance with the terms and conditions of Section
12 15-175 of the Property Tax Code (35 ILCS 200/15-175).
13 The permanent real estate index number for the premises
14 is (insert number), and, according to the most recent
15 property tax bill, the current amount of real estate
16 taxes associated with the premises is (insert amount)
17 per year. The parties agree that the monthly rent set
18 forth above shall be increased or decreased pro rata
19 (effective January 1 of each calendar year) to reflect
20 any increase or decrease in real estate taxes. Lessee
21 shall be deemed to be satisfying Lessee's liability for
22 the above mentioned real estate taxes with the monthly
23 rent payments as set forth above (or increased or
24 decreased as set forth herein).".

25 In addition, if there is a change in lessee, or if the
26 lessee vacates the property, then the chief county assessment

1 officer may require the owner of the property to notify the
2 chief county assessment officer of that change.

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

5 (f) "Homestead property" under this Section includes
6 residential property that is occupied by its owner or owners as
7 his or their principal dwelling place, or that is a leasehold
8 interest on which a single family residence is situated, which
9 is occupied as a residence by a person who has an ownership
10 interest therein, legal or equitable or as a lessee, and on
11 which the person is liable for the payment of property taxes.
12 For land improved with an apartment building owned and operated
13 as a cooperative or a building which is a life care facility as
14 defined in Section 15-170 and considered to be a cooperative
15 under Section 15-170, the maximum reduction from the equalized
16 assessed value shall be limited to the increase in the value
17 above the equalized assessed value of the property for 1977, up
18 to the maximum reduction set forth above, multiplied by the
19 number of apartments or units occupied by a person or persons
20 who is liable, by contract with the owner or owners of record,
21 for paying property taxes on the property and is an owner of
22 record of a legal or equitable interest in the cooperative
23 apartment building, other than a leasehold interest. For
24 purposes of this Section, the term "life care facility" has the
25 meaning stated in Section 15-170.

26 "Household", as used in this Section, means the owner, the

1 spouse of the owner, and all persons using the residence of the
2 owner as their principal place of residence.

3 "Household income", as used in this Section, means the
4 combined income of the members of a household for the calendar
5 year preceding the taxable year.

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

10 (g) In a cooperative where a homestead exemption has been
11 granted, the cooperative association or its management firm
12 shall credit the savings resulting from that exemption only to
13 the apportioned tax liability of the owner who qualified for
14 the exemption. Any person who willfully refuses to so credit
15 the savings shall be guilty of a Class B misdemeanor.

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

20 (i) In all counties, the assessor or chief county
21 assessment officer may determine the eligibility of
22 residential property to receive the homestead exemption and the
23 amount of the exemption by application, visual inspection,
24 questionnaire or other reasonable methods. The determination
25 shall be made in accordance with guidelines established by the
26 Department, provided that the taxpayer applying for an

1 additional general exemption under this Section shall submit to
2 the chief county assessment officer an application with an
3 affidavit of the applicant's total household income, age,
4 marital status (and, if married, the name and address of the
5 applicant's spouse, if known), and principal dwelling place of
6 members of the household on January 1 of the taxable year. The
7 Department shall issue guidelines establishing a method for
8 verifying the accuracy of the affidavits filed by applicants
9 under this paragraph. The applications shall be clearly marked
10 as applications for the Additional General Homestead
11 Exemption.

12 (i-5) This subsection (i-5) applies to counties with
13 3,000,000 or more inhabitants. In the event of a sale of
14 homestead property, the homestead exemption shall remain in
15 effect for the remainder of the assessment year of the sale.
16 Upon receipt of a transfer declaration transmitted by the
17 recorder pursuant to Section 31-30 of the Real Estate Transfer
18 Tax Law for property receiving an exemption under this Section,
19 the assessor shall mail a notice and forms to the new owner of
20 the property providing information pertaining to the rules and
21 applicable filing periods for applying or reapplying for
22 homestead exemptions under this Code for which the property may
23 be eligible. If the new owner fails to apply or reapply for a
24 homestead exemption during the applicable filing period or the
25 property no longer qualifies for an existing homestead
26 exemption, the assessor shall cancel such exemption for any

1 ensuing assessment year.

2 (j) In counties with fewer than 3,000,000 inhabitants, in
3 the event of a sale of homestead property the homestead
4 exemption shall remain in effect for the remainder of the
5 assessment year of the sale. The assessor or chief county
6 assessment officer may require the new owner of the property to
7 apply for the homestead exemption for the following assessment
8 year.

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

12 (Source: P.A. 97-689, eff. 6-14-12; 97-1125, eff. 8-28-12;
13 98-7, eff. 4-23-13; 98-463, eff. 8-16-13.)

14 Section 99. Effective date. This Act takes effect upon
15 becoming law."