

1 AN ACT concerning taxes.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The State Finance Act is amended by changing
5 Sections 5.122 and 6p-4 as follows:

6 (30 ILCS 105/5.122) (from Ch. 127, par. 141.122)

7 Sec. 5.122. The Senior Citizens and Disabled Persons
8 Real Estate Deferred Tax Revolving Fund.

9 (Source: P.A. 83-1362.)

10 (30 ILCS 105/6p-4) (from Ch. 127, par. 142p4)

11 Sec. 6p-4. Senior Citizens and Disabled Persons Real
12 Estate Deferral Tax Revolving Fund. ~~As seen as possible~~
13 ~~after the effective date of the Senior Citizens--Real--Estate~~
14 ~~Tax--Deferral--Act, the sum of \$330,000 shall be transferred~~
15 ~~from the State Lottery--Fund--to--the--Senior--Citizens--Real~~
16 ~~Estate-Deferred-Tax-Revolving-Fund-by-the-Comptroller-and-the~~
17 ~~State--Treasurer.--Additional-funds, as may be necessary, may~~
18 ~~be appropriated from the General--Revenue--Fund.---Thereafter~~
19 All moneys received by the Department of Revenue in payment
20 of deferred taxes and accrued interest, under Section 7 of
21 the Senior Citizens and Disabled Persons Real Estate Tax
22 Deferral Act, shall be paid into the Senior Citizens and
23 Disabled Persons Real Estate Deferred Tax Revolving Fund.
24 Appropriations from the Senior Citizens and Disabled Persons
25 Real Estate Deferred Tax Revolving Fund shall only be made to
26 the Department of Revenue for making payments to county
27 collectors as provided in the Senior Citizens and Disabled
28 Persons Real Estate Tax Deferral Act.

29 (Source: P.A. 83-1362.)

1 Section 10. The Property Tax Code is amended by changing
2 Section 15-170 as follows:

3 (35 ILCS 200/15-170)

4 Sec. 15-170. Senior Citizens Homestead Exemption. An
5 annual homestead exemption limited, except as described here
6 with relation to cooperatives, to a maximum reduction set
7 forth below from the property's value, as equalized or
8 assessed by the Department, is granted for property that is
9 occupied as a residence by a person 65 years of age or older
10 who is liable for paying real estate taxes on the property
11 and is an owner of record of the property or has a legal or
12 equitable interest therein as evidenced by a written
13 instrument, except for a leasehold interest, other than a
14 leasehold interest of land on which a single family residence
15 is located, which is occupied as a residence by a person 65
16 years or older who has an ownership interest therein, legal,
17 equitable or as a lessee, and on which he or she is liable
18 for the payment of property taxes. The maximum reduction
19 shall be \$2,500 in counties with 3,000,000 or more
20 inhabitants and \$2,000 in all other counties. For land
21 improved with an apartment building owned and operated as a
22 cooperative or a building which is a life care facility which
23 shall be considered to be a cooperative, the maximum
24 reduction from the value of the property, as equalized by the
25 Department, shall be multiplied by the number of apartments
26 or units occupied by a person 65 years of age or older who is
27 liable, by contract with the owner or owners of record, for
28 paying property taxes on the property and is an owner of
29 record of a legal or equitable interest in the cooperative
30 apartment building, other than a leasehold interest. In a
31 cooperative where a homestead exemption has been granted,
32 the cooperative association or its management firm shall
33 credit the savings resulting from that exemption only to the

1 apportioned tax liability of the owner who qualified for the
2 exemption. Any person who willfully refuses to so credit the
3 savings shall be guilty of a Class B misdemeanor. Under this
4 Section and Section 15-175, "life care facility" means a
5 facility as defined in Section 2 of the Life Care Facilities
6 Act, with which the applicant for the homestead exemption has
7 a life care contract as defined in that Act, which requires
8 the applicant to pay property taxes.

9 When a homestead exemption has been granted under this
10 Section and the person qualifying subsequently becomes a
11 resident of a facility licensed under the Nursing Home Care
12 Act, the exemption shall continue so long as the residence
13 continues to be occupied by the qualifying person's spouse if
14 the spouse is 65 years of age or older, or if the residence
15 remains unoccupied but is still owned by the person qualified
16 for the homestead exemption.

17 A person who will be 65 years of age during the current
18 assessment year shall be eligible to apply for the homestead
19 exemption during that assessment year. Application shall be
20 made during the application period in effect for the county
21 of his residence.

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

31 The chief county assessment officer of each county with
32 less than 3,000,000 inhabitants shall provide to each person
33 allowed a homestead exemption under this Section a form to
34 designate any other person to receive a duplicate of any

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

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

23 In counties with less than 3,000,000 inhabitants, the
24 county board may by resolution provide that if a person has
25 been granted a homestead exemption under this Section, the
26 person qualifying need not reapply for the exemption.

27 In counties with less than 3,000,000 inhabitants, if the
28 assessor or chief county assessment officer requires annual
29 application for verification of eligibility for an exemption
30 once granted under this Section, the application shall be
31 mailed to the taxpayer.

32 The assessor or chief county assessment officer shall
33 notify each person who qualifies for an exemption under this
34 Section that the person may also qualify for deferral of real

1 estate taxes under the Senior Citizens and Disabled Persons
 2 Real Estate Tax Deferral Act. The notice shall set forth the
 3 qualifications needed for deferral of real estate taxes, the
 4 address and telephone number of county collector, and a
 5 statement that applications for deferral of real estate taxes
 6 may be obtained from the county collector.

7 (Source: P.A. 89-412, eff. 11-17-95; 90-471, eff. 8-17-97.)

8 Section 15. The Senior Citizens Real Estate Tax Deferral
 9 Act is amended by changing Sections 1, 2, 3, 5, and 7 and the
 10 title of the Act as follows:

11 (320 ILCS 30/Act title)

12 An Act in relation to the deferral of payment of real
 13 estate taxes by persons 65 years of age and over and disabled
 14 persons.

15 (Source: P.A. 83-895.)

16 (320 ILCS 30/1) (from Ch. 67 1/2, par. 451)

17 Sec. 1. Short title. This Act ~~shall be known and~~ may be
 18 cited as the "Senior Citizens and Disabled Persons Real
 19 Estate Tax Deferral Act".

20 (Source: P.A. 83-895.)

21 (320 ILCS 30/2) (from Ch. 67 1/2, par. 452)

22 Sec. 2. Definitions. As used in this Act:

23 (a) "Taxpayer" means an individual whose household
 24 income for the year is no greater than \$25,000.

25 (b) "Tax deferred property" means the property upon
 26 which real estate taxes are deferred under this Act.

27 (c) "Homestead" means the land and buildings thereon,
 28 including a condominium or a dwelling unit in a multidwelling
 29 building that is owned and operated as a cooperative,
 30 occupied by the taxpayer as his residence or which are

1 temporarily unoccupied by the taxpayer because such taxpayer
2 is temporarily residing, for not more than 1 year, in a
3 licensed facility as defined in Section 1-113 of the Nursing
4 Home Care Act.

5 (d) "Real estate taxes" or "taxes" means the taxes on
6 real property for which the taxpayer would be liable under
7 the Property Tax Code, including special service area taxes,
8 and special assessments on benefited real property for which
9 the taxpayer would be liable to a unit of local government.

10 (e) "Department" means the Department of Revenue.

11 (f) "Qualifying property" means a homestead which (a)
12 the taxpayer or the taxpayer and his spouse own in fee simple
13 or are purchasing in fee simple under a recorded instrument
14 of sale, (b) is not income-producing property, (c) is not
15 subject to a lien for unpaid real estate taxes when a claim
16 under this Act is filed.

17 (g) "Equity interest" means the current assessed
18 valuation of the qualified property times the fraction
19 necessary to convert that figure to full market value minus
20 any outstanding debts or liens on that property. In the case
21 of qualifying property not having a separate assessed
22 valuation, the appraised value as determined by a qualified
23 real estate appraiser shall be used instead of the current
24 assessed valuation.

25 (h) "Household income" has the meaning ascribed to that
26 term in the Senior Citizens and Disabled Persons Property Tax
27 Relief and Pharmaceutical Assistance Act.

28 (i) "Collector" means the county collector or, if the
29 taxes to be deferred are special assessments, an official
30 designated by a unit of local government to collect special
31 assessments.

32 (j) "Disabled person" has the same meaning as in Section
33 3.14 of the Senior Citizens and Disabled Persons Property Tax
34 Relief and Pharmaceutical Assistance Act.

1 (Source: P.A. 88-268; 88-509; 88-670, eff. 12-2-94.)

2 (320 ILCS 30/3) (from Ch. 67 1/2, par. 453)

3 Sec. 3. Application and requirements. A taxpayer may,
4 on or before March 1 of each year, apply to the county
5 collector of the county where his or her qualifying property
6 is located, or to the official designated by a unit of local
7 government to collect special assessments on the qualifying
8 property, as the case may be, for a deferral of all or a part
9 of real estate taxes payable during that year for the
10 preceding year in the case of real estate taxes other than
11 special assessments, or for a deferral of any installments
12 payable during that year in the case of special assessments,
13 on all or part of his or her qualifying property. The
14 application shall be on a form prescribed by the Department
15 and furnished by the collector, (a) showing that the
16 applicant will be 65 years of age or older by June 1 of the
17 year for which a tax deferral is claimed or the applicant is
18 a disabled person, (b) describing the property and verifying
19 that the property is qualifying property as defined in
20 Section 2, (c) certifying that the taxpayer has owned and
21 occupied as his or her residence such property or other
22 qualifying property in the State for at least the last 3
23 years except for any periods during which the taxpayer may
24 have temporarily resided in a nursing or sheltered care home,
25 and (d) specifying whether the deferral is for all or a part
26 of the taxes, and, if for a part, the amount of deferral
27 applied for. As to qualifying property not having a separate
28 assessed valuation, the taxpayer shall also file with the
29 county collector a written appraisal of the property prepared
30 by a qualified real estate appraiser together with a
31 certificate signed by the appraiser stating that he or she
32 has personally examined the property and setting forth the
33 value of the land and the value of the buildings thereon

1 occupied by the taxpayer as his or her residence.

2 The collector shall grant the tax deferral provided such
3 deferral does not exceed funds available in the Senior
4 Citizens and Disabled Persons Real Estate Deferred Tax
5 Revolving Fund and provided that the owner or owners of such
6 real property have entered into a tax deferral and recovery
7 agreement with the collector on behalf of the county or other
8 unit of local government, which agreement expressly states:

9 (1) That the total amount of taxes deferred under this
10 Act, plus interest, for the year for which a tax deferral is
11 claimed as well as for those previous years for which taxes
12 are not delinquent and for which such deferral has been
13 claimed may not exceed 80% of the taxpayer's equity interest
14 in the property for which taxes are to be deferred and that,
15 if the total deferred taxes plus interest equals 80% of the
16 taxpayer's equity interest in the property, the taxpayer
17 shall thereafter pay the annual interest due on such deferred
18 taxes plus interest so that total deferred taxes plus
19 interest will not exceed such 80% of the taxpayer's equity
20 interest in the property.

21 (2) That any real estate taxes deferred under this Act
22 and any interest accrued thereon at the rate of 6% per year
23 are a lien on the real estate and improvements thereon until
24 paid. No sale or transfer of such real property may be
25 legally closed and recorded until the taxes which would
26 otherwise have been due on the property, plus accrued
27 interest, have been paid unless the collector certifies in
28 writing that an arrangement for prompt payment of the amount
29 due has been made with his or her office. The same shall
30 apply if the property is to be made the subject of a contract
31 of sale.

32 (3) That upon the death of the taxpayer claiming the
33 deferral the heirs-at-law, assignees or legatees shall have
34 first priority to the real property upon which taxes have

1 been deferred by paying in full the total taxes which would
2 otherwise have been due, plus interest. However, if such
3 heir-at-law, assignee, or legatee is a surviving spouse, the
4 tax deferred status of the property shall be continued during
5 the life of that surviving spouse if the spouse is 55 years
6 of age or older within 6 months of the date of death of the
7 taxpayer and enters into a tax deferral and recovery
8 agreement before the time when deferred taxes become due
9 under this Section. Any additional taxes deferred, plus
10 interest, on the real property under a tax deferral and
11 recovery agreement signed by a surviving spouse shall be
12 added to the taxes and interest which would otherwise have
13 been due, and the payment of which has been postponed during
14 the life of such surviving spouse, in determining the 80%
15 equity requirement provided by this Section.

16 (4) That if the taxes due, plus interest, are not paid
17 by the heir-at-law, assignee or legatee or if payment is not
18 postponed during the life of a surviving spouse, the deferred
19 taxes and interest shall be recovered from the estate of the
20 taxpayer within one year of the date of his or her death. In
21 addition, deferred real estate taxes and any interest accrued
22 thereon are due within 90 days after any tax deferred
23 property ceases to be qualifying property as defined in
24 Section 2.

25 If payment is not made when required by this Section,
26 foreclosure proceedings may be instituted under the Property
27 Tax Code.

28 (5) That any joint owner has given written prior
29 approval for such agreement, which written approval shall be
30 made a part of such agreement.

31 (6) That a guardian for a person under legal disability
32 appointed for a taxpayer who otherwise qualifies under this
33 Act may act for the taxpayer in complying with this Act.

34 (7) That a taxpayer or his or her agent has provided to

1 the satisfaction of the collector, sufficient evidence that
2 the qualifying property on which the taxes are to be deferred
3 is insured against fire or casualty loss for at least the
4 total amount of taxes which have been deferred.

5 If the taxes to be deferred are special assessments, the
6 unit of local government making the assessments shall forward
7 a copy of the agreement entered into pursuant to this Section
8 and the bills for such assessments to the county collector of
9 the county in which the qualifying property is located.

10 (Source: P.A. 90-170, eff. 7-23-97; 91-357, eff. 7-29-99.)

11 (320 ILCS 30/5) (from Ch. 67 1/2, par. 455)

12 Sec. 5. Tax bills; payment. The county collector shall
13 note on his or her books each claim for deferral of real
14 estate taxes which meets the requirements of Section 3 and,
15 when taxes are extended, shall send to the Department the tax
16 bills, including special assessment bills forwarded to the
17 county collector under Section 3, on all tax deferred
18 property in that collector's county. The Department shall
19 then pay by June 1 or within 30 days of the receipt of these
20 tax bills, whichever is later, to the county collector, for
21 distribution to the taxing bodies in his or her county, the
22 total amount of taxes so deferred. The Department shall make
23 these payments from the Senior Citizens and Disabled Persons
24 Real Estate Deferred Tax Revolving Fund.

25 (Source: P.A. 84-807.)

26 (320 ILCS 30/7) (from Ch. 67 1/2, par. 457)

27 Sec. 7. Collection. When any deferred taxes, including
28 interest, are collected, the moneys shall be credited to a
29 special account in the treasury of the unit of local
30 government and the collector shall notify the treasurer of
31 the unit of local government of the properties for which the
32 taxes were collected by setting forth a description of the

1 property and the amount of taxes and interest collected for
2 each property. The treasurer shall remit by the 10th day of
3 each month the amount of deferred taxes and accrued interest
4 paid during the preceding month, minus \$50 or the total
5 amount of deferred taxes and accrued interest collected,
6 whichever is less, to the Department. The remittance shall
7 be accompanied by a statement giving a description for each
8 property for which the taxes were collected and setting out
9 the amount of the taxes and interest collected for each
10 property.

11 If the tax deferred property is sold by foreclosure under
12 the Property Tax Code, the proceeds of the sale which may be
13 applied under that Act to the payment of real estate taxes
14 and interest shall be remitted by the county treasurer to the
15 Department along with a description of the property and the
16 amount of taxes and interest collected thereon.

17 When any deferred taxes and accrued interest are received
18 by the Department, it shall enter the amounts received
19 against the accounts which have been set up for the tax
20 deferred properties and shall within 5 days remit such moneys
21 to the State Treasurer for deposit in the Senior Citizens and
22 Disabled Persons Real Estate Deferred Tax Revolving Fund.

23 (Source: P.A. 88-670, eff. 12-2-94.)

24 Section 99. Effective date. This Act takes effect
25 January 1, 2002.