

1 AN ACT concerning senior citizens.

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

4 Section 5. The Senior Citizens Real Estate Tax Deferral
5 Act is amended by changing the title of the Act and Sections
6 2 and 3 as follows:

7 (320 ILCS 30/Act title)

8 An Act in relation to the deferral of payment of real
9 estate taxes by senior citizens persons-65-years-of--age--and
10 ever.

11 (320 ILCS 30/2) (from Ch. 67 1/2, par. 452)

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

13 (a) "Taxpayer" means an individual whose household
14 income for the year is no greater than \$25,000 before 2002,
15 and \$35,000 in 2002 or thereafter.

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

18 (c) "Homestead" means the land and buildings thereon,
19 including a condominium or a dwelling unit in a multidwelling
20 building that is owned and operated as a cooperative,
21 occupied by the taxpayer as his residence or which are
22 temporarily unoccupied by the taxpayer because such taxpayer
23 is temporarily residing, for not more than 1 year, in a
24 licensed facility as defined in Section 1-113 of the Nursing
25 Home Care Act.

26 (d) "Real estate taxes" or "taxes" means the taxes on
27 real property for which the taxpayer would be liable under
28 the Property Tax Code, including special service area taxes,
29 and special assessments on benefited real property for which
30 the taxpayer would be liable to a unit of local government.

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

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

8 (g) "Equity interest" means the current assessed
9 valuation of the qualified property times the fraction
10 necessary to convert that figure to full market value minus
11 any outstanding debts or liens on that property. In the case
12 of qualifying property not having a separate assessed
13 valuation, the appraised value as determined by a qualified
14 real estate appraiser shall be used instead of the current
15 assessed valuation.

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

19 (i) "Collector" means the county collector or, if the
20 taxes to be deferred are special assessments, an official
21 designated by a unit of local government to collect special
22 assessments.

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

24 (320 ILCS 30/3) (from Ch. 67 1/2, par. 453)

25 Sec. 3. A taxpayer may, on or before March 1 of each
26 year, apply to the county collector of the county where his
27 qualifying property is located, or to the official designated
28 by a unit of local government to collect special assessments
29 on the qualifying property, as the case may be, for a
30 deferral of all or a part of real estate taxes payable during
31 that year for the preceding year in the case of real estate
32 taxes other than special assessments, or for a deferral of
33 any installments payable during that year in the case of

1 special assessments, on all or part of his qualifying
2 property. The application shall be on a form prescribed by
3 the Department and furnished by the collector, (a) showing
4 that the applicant will be 65 years of age or older by June 1
5 of the year in which the taxes are payable for taxes payable
6 in or before 2002 and 62 years of age or older by June 1 of
7 the year in which the taxes are payable for taxes payable in
8 2003 and thereafter ~~for which a tax deferral is claimed~~, (b)
9 describing the property and verifying that the property is
10 qualifying property as defined in Section 2, (c) certifying
11 that the taxpayer has owned and occupied as his residence
12 such property or other qualifying property in the State for
13 at least the last 3 years except for any periods during which
14 the taxpayer may have temporarily resided in a nursing or
15 sheltered care home, and (d) specifying whether the deferral
16 is for all or a part of the taxes, and, if for a part, the
17 amount of deferral applied for. As to qualifying property not
18 having a separate assessed valuation, the taxpayer shall also
19 file with the county collector a written appraisal of the
20 property prepared by a qualified real estate appraiser
21 together with a certificate signed by the appraiser stating
22 that he has personally examined the property and setting
23 forth the value of the land and the value of the buildings
24 thereon occupied by the taxpayer as his residence.

25 The collector shall grant the tax deferral provided such
26 deferral does not exceed funds available in the Senior
27 Citizens Real Estate Deferred Tax Revolving Fund and provided
28 that the owner or owners of such real property have entered
29 into a tax deferral and recovery agreement with the collector
30 on behalf of the county or other unit of local government,
31 which agreement expressly states:

32 (1) That the total amount of taxes deferred under this
33 Act, plus interest, for the year for which a tax deferral is
34 claimed as well as for those previous years for which taxes

1 are not delinquent and for which such deferral has been
2 claimed may not exceed 80% of the taxpayer's equity interest
3 in the property for which taxes are to be deferred and that,
4 if the total deferred taxes plus interest equals 80% of the
5 taxpayer's equity interest in the property, the taxpayer
6 shall thereafter pay the annual interest due on such deferred
7 taxes plus interest so that total deferred taxes plus
8 interest will not exceed such 80% of the taxpayer's equity
9 interest in the property.

10 (2) That any real estate taxes deferred under this Act
11 and any interest accrued thereon at the rate of 6% per year
12 are a lien on the real estate and improvements thereon until
13 paid. No sale or transfer of such real property may be
14 legally closed and recorded until the taxes which would
15 otherwise have been due on the property, plus accrued
16 interest, have been paid unless the collector certifies in
17 writing that an arrangement for prompt payment of the amount
18 due has been made with his office. The same shall apply if
19 the property is to be made the subject of a contract of sale.

20 (3) That upon the death of the taxpayer claiming the
21 deferral the heirs-at-law, assignees or legatees shall have
22 first priority to the real property upon which taxes have
23 been deferred by paying in full the total taxes which would
24 otherwise have been due, plus interest. However, if such
25 heir-at-law, assignee, or legatee is a surviving spouse, the
26 tax deferred status of the property shall be continued during
27 the life of that surviving spouse if the spouse is 55 years
28 of age or older within 6 months of the date of death of the
29 taxpayer and enters into a tax deferral and recovery
30 agreement before the time when deferred taxes become due
31 under this Section. Any additional taxes deferred, plus
32 interest, on the real property under a tax deferral and
33 recovery agreement signed by a surviving spouse shall be
34 added to the taxes and interest which would otherwise have

1 been due, and the payment of which has been postponed during
2 the life of such surviving spouse, in determining the 80%
3 equity requirement provided by this Section.

4 (4) That if the taxes due, plus interest, are not paid
5 by the heir-at-law, assignee or legatee or if payment is not
6 postponed during the life of a surviving spouse, the deferred
7 taxes and interest shall be recovered from the estate of the
8 taxpayer within one year of the date of his death. In
9 addition, deferred real estate taxes and any interest accrued
10 thereon are due within 90 days after any tax deferred
11 property ceases to be qualifying property as defined in
12 Section 2.

13 If payment is not made when required by this Section,
14 foreclosure proceedings may be instituted under the Property
15 Tax Code.

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

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

22 (7) That a taxpayer or his agent has provided to the
23 satisfaction of the collector, sufficient evidence that the
24 qualifying property on which the taxes are to be deferred is
25 insured against fire or casualty loss for at least the total
26 amount of taxes which have been deferred.

27 If the taxes to be deferred are special assessments, the
28 unit of local government making the assessments shall forward
29 a copy of the agreement entered into pursuant to this Section
30 and the bills for such assessments to the county collector of
31 the county in which the qualifying property is located.

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

33 Section 99. Effective date. This Act takes effect upon

1 becoming law.