

1 AN ACT concerning taxation of fraternal organizations.

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 adding a  
5 Division 13 heading to Article 10 and by adding Section  
6 10-351 as follows:

7 (35 ILCS 200/Art. 10, Div. 13 heading new)

8 DIVISION 13. FRATERNAL ORGANIZATION PROPERTY

9 (35 ILCS 200/10-351 new)

10 Sec. 10-351. Fraternal organization assessment freeze.

11 (a) For the taxable year 2002 and thereafter, the  
12 assessed value of real property owned and used by a fraternal  
13 organization, or its subordinate organization or entity, that  
14 is an exempt entity under Section 501(c)(8) of the Internal  
15 Revenue Code and whose members provide, directly or  
16 indirectly, financial support for charitable works, which may  
17 include medical care, drug rehabilitation, or education,  
18 shall be established by the chief county assessment officer  
19 as follows:

20 (1) if the property meets the qualifications set  
21 forth in this Section on January 1, 2002 and on January 1  
22 of each subsequent assessment year, for assessment year  
23 2002 and each subsequent assessment year, the final  
24 assessed value of the property shall be 15% of the final  
25 assessed value of the property for the assessment year  
26 2001; or

27 (2) if the property first meets the qualifications  
28 set forth in this Section on January 1 of any assessment  
29 year after assessment year 2002 and on January 1 of each  
30 subsequent assessment year, for that first assessment

1 year and each subsequent assessment year, the final  
2 assessed value shall be 15% of the final assessed value  
3 of the property for the assessment year in which the  
4 property first meets the qualifications set forth in this  
5 Section.

6 If, in any year, additions or improvements are made to  
7 property subject to assessment under this Section and the  
8 additions or improvements would increase the assessed value  
9 of the property, then 15% of the final assessed value of the  
10 additions or improvements shall be added to the final  
11 assessed value of the property for the year in which the  
12 additions or improvements are completed and for all  
13 subsequent years that the property is eligible for assessment  
14 under this Section.

15 (b) For purposes of this Section, "final assessed value"  
16 means the assessed value after final board of review action.

17 (c) Fraternal organizations whose property is assessed  
18 under this Section must annually submit an application to the  
19 chief county assessment officer on or before (i) January 31  
20 of the assessment year in counties with a population of  
21 3,000,000 or more and (ii) December 31 of the assessment year  
22 in all other counties. The initial application must contain  
23 the information required by the Department of Revenue, which  
24 shall prepare the form, including:

25 (1) a copy of the organization's charter from the  
26 State of Illinois, if applicable;

27 (2) the location or legal description of the  
28 property on which is located the principal building for  
29 the organization, including the PIN number, if available;

30 (3) a written instrument evidencing that the  
31 organization is the record owner or has a legal or  
32 equitable interest in the property;

33 (4) an affidavit that the organization is liable  
34 for paying the real property taxes on the property; and

1           (5) the signature of the organization's chief  
2           presiding officer.

3           Subsequent applications shall include any changes in the  
4           initial application and shall affirm the ownership, use, and  
5           liability for taxes for the year in which it is submitted.  
6           All applications shall be notarized.

7           (d) This Section does not apply to parcels exempt from  
8           property taxes under this Code.

9           Section 10. The State Mandates Act is amended by adding  
10          Section 8.25 as follows:

11          (30 ILCS 805/8.25 new)

12          Sec. 8.25. Exempt mandate. Notwithstanding Sections 6  
13          and 8 of this Act, no reimbursement by the State is required  
14          for the implementation of any mandate created by this  
15          amendatory Act of the 92nd General Assembly.

16          Section 99. Effective Date. This Act takes effect on  
17          January 1, 2002.