

1 AN ACT in relation to taxes.

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

4 Section 5. The Illinois Municipal Code is amended by  
5 changing Section 11-74.4-7 as follows:

6 (65 ILCS 5/11-74.4-7) (from Ch. 24, par. 11-74.4-7)

7 Sec. 11-74.4-7. Issuance of obligations to provide for  
8 project costs. Obligations secured by the special tax  
9 allocation fund set forth in Section 11-74.4-8 for the  
10 redevelopment project area may be issued to provide for  
11 redevelopment project costs. Such obligations, when so  
12 issued, shall be retired in the manner provided in the  
13 ordinance authorizing the issuance of such obligations by the  
14 receipts of taxes levied as specified in Section 11-74.4-9  
15 against the taxable property included in the area, by  
16 revenues as specified by Section 11-74.4-8a and other revenue  
17 designated by the municipality. A municipality may in the  
18 ordinance pledge all or any part of the funds in and to be  
19 deposited in the special tax allocation fund created pursuant  
20 to Section 11-74.4-8 to the payment of the redevelopment  
21 project costs and obligations. Any pledge of funds in the  
22 special tax allocation fund shall provide for distribution to  
23 the taxing districts and to the Illinois Department of  
24 Revenue of moneys not required, pledged, earmarked, or  
25 otherwise designated for payment and securing of the  
26 obligations and anticipated redevelopment project costs and  
27 such excess funds shall be calculated annually and deemed to  
28 be "surplus" funds. In the event a municipality only applies  
29 or pledges a portion of the funds in the special tax  
30 allocation fund for the payment or securing of anticipated  
31 redevelopment project costs or of obligations, any such funds

1 remaining in the special tax allocation fund after complying  
2 with the requirements of the application or pledge, shall  
3 also be calculated annually and deemed "surplus" funds. All  
4 surplus funds in the special tax allocation fund shall be  
5 distributed annually within 180 days after the close of the  
6 municipality's fiscal year by being paid by the municipal  
7 treasurer to the County Collector, to the Department of  
8 Revenue and to the municipality in direct proportion to the  
9 tax incremental revenue received as a result of an increase  
10 in the equalized assessed value of property in the  
11 redevelopment project area, tax incremental revenue received  
12 from the State and tax incremental revenue received from the  
13 municipality, but not to exceed as to each such source the  
14 total incremental revenue received from that source. The  
15 County Collector shall thereafter make distribution to the  
16 respective taxing districts in the same manner and proportion  
17 as the most recent distribution by the county collector to  
18 the affected districts of real property taxes from real  
19 property in the redevelopment project area.

20 Without limiting the foregoing in this Section, the  
21 municipality may in addition to obligations secured by the  
22 special tax allocation fund pledge for a period not greater  
23 than the term of the obligations towards payment of such  
24 obligations any part or any combination of the following: (a)  
25 net revenues of all or part of any redevelopment project; (b)  
26 taxes levied and collected on any or all property in the  
27 municipality; (c) the full faith and credit of the  
28 municipality; (d) a mortgage on part or all of the  
29 redevelopment project; or (e) any other taxes or anticipated  
30 receipts that the municipality may lawfully pledge.

31 Such obligations may be issued in one or more series  
32 bearing interest at such rate or rates as the corporate  
33 authorities of the municipality shall determine by ordinance.  
34 Such obligations shall bear such date or dates, mature at

1 such time or times not exceeding 20 years from their  
2 respective dates, be in such denomination, carry such  
3 registration privileges, be executed in such manner, be  
4 payable in such medium of payment at such place or places,  
5 contain such covenants, terms and conditions, and be subject  
6 to redemption as such ordinance shall provide. Obligations  
7 issued pursuant to this Act may be sold at public or private  
8 sale at such price as shall be determined by the corporate  
9 authorities of the municipalities. No referendum approval of  
10 the electors shall be required as a condition to the issuance  
11 of obligations pursuant to this Division except as provided  
12 in this Section.

13 In the event the municipality authorizes issuance of  
14 obligations pursuant to the authority of this Division  
15 secured by the full faith and credit of the municipality,  
16 which obligations are other than obligations which may be  
17 issued under home rule powers provided by Article VII,  
18 Section 6 of the Illinois Constitution, or pledges taxes  
19 pursuant to (b) or (c) of the second paragraph of this  
20 section, the ordinance authorizing the issuance of such  
21 obligations or pledging such taxes shall be published within  
22 10 days after such ordinance has been passed in one or more  
23 newspapers, with general circulation within such  
24 municipality. The publication of the ordinance shall be  
25 accompanied by a notice of (1) the specific number of voters  
26 required to sign a petition requesting the question of the  
27 issuance of such obligations or pledging taxes to be  
28 submitted to the electors; (2) the time in which such  
29 petition must be filed; and (3) the date of the prospective  
30 referendum. The municipal clerk shall provide a petition  
31 form to any individual requesting one.

32 If no petition is filed with the municipal clerk, as  
33 hereinafter provided in this Section, within 30 days after  
34 the publication of the ordinance, the ordinance shall be in

1 effect. But, if within that 30 day period a petition is  
2 filed with the municipal clerk, signed by electors in the  
3 municipality numbering 10% or more of the number of  
4 registered voters in the municipality, asking that the  
5 question of issuing obligations using full faith and credit  
6 of the municipality as security for the cost of paying for  
7 redevelopment project costs, or of pledging taxes for the  
8 payment of such obligations, or both, be submitted to the  
9 electors of the municipality, the corporate authorities of  
10 the municipality shall call a special election in the manner  
11 provided by law to vote upon that question, or, if a general,  
12 State or municipal election is to be held within a period of  
13 not less than 30 or more than 90 days from the date such  
14 petition is filed, shall submit the question at the next  
15 general, State or municipal election. If it appears upon the  
16 canvass of the election by the corporate authorities that a  
17 majority of electors voting upon the question voted in favor  
18 thereof, the ordinance shall be in effect, but if a majority  
19 of the electors voting upon the question are not in favor  
20 thereof, the ordinance shall not take effect.

21 The ordinance authorizing the obligations may provide  
22 that the obligations shall contain a recital that they are  
23 issued pursuant to this Division, which recital shall be  
24 conclusive evidence of their validity and of the regularity  
25 of their issuance.

26 In the event the municipality authorizes issuance of  
27 obligations pursuant to this Section secured by the full  
28 faith and credit of the municipality, the ordinance  
29 authorizing the obligations may provide for the levy and  
30 collection of a direct annual tax upon all taxable property  
31 within the municipality sufficient to pay the principal  
32 thereof and interest thereon as it matures, which levy may be  
33 in addition to and exclusive of the maximum of all other  
34 taxes authorized to be levied by the municipality, which

1 levy, however, shall be abated to the extent that monies from  
2 other sources are available for payment of the obligations  
3 and the municipality certifies the amount of said monies  
4 available to the county clerk.

5 A certified copy of such ordinance shall be filed with  
6 the county clerk of each county in which any portion of the  
7 municipality is situated, and shall constitute the authority  
8 for the extension and collection of the taxes to be deposited  
9 in the special tax allocation fund.

10 A municipality may also issue its obligations to refund  
11 in whole or in part, obligations theretofore issued by such  
12 municipality under the authority of this Act, whether at or  
13 prior to maturity, provided however, that the last maturity  
14 of the refunding obligations shall not be expressed to mature  
15 later than December 31 of the year in which the payment to  
16 the municipal treasurer as provided in subsection (b) of  
17 Section 11-74.4-8 of this Act is to be made with respect to  
18 ad valorem taxes levied in the twenty-third calendar year  
19 after the year in which the ordinance approving the  
20 redevelopment project area is adopted if the ordinance was  
21 adopted on or after January 15, 1981, and not later than  
22 December 31 of the year in which the payment to the municipal  
23 treasurer as provided in subsection (b) of Section 11-74.4-8  
24 of this Act is to be made with respect to ad valorem taxes  
25 levied in the thirty-fifth calendar year after the year in  
26 which the ordinance approving the redevelopment project area  
27 is adopted (A) if the ordinance was adopted before January  
28 15, 1981, or (B) if the ordinance was adopted in December  
29 1983, April 1984, July 1985, or December 1989, or (C) if the  
30 ordinance was adopted in December, 1987 and the redevelopment  
31 project is located within one mile of Midway Airport, or (D)  
32 if the ordinance was adopted before January 1, 1987 by a  
33 municipality in Mason County, or (E) if the municipality is  
34 subject to the Local Government Financial Planning and

1 Supervision Act or the Financially Distressed City Law, or  
2 (F) if the ordinance was adopted in December 1984 by the  
3 Village of Rosemont, or (G) if the ordinance was adopted on  
4 December 31, 1986 by a municipality located in Clinton County  
5 for which at least \$250,000 of tax increment bonds were  
6 authorized on June 17, 1997, or if the ordinance was adopted  
7 on December 31, 1986 by a municipality with a population in  
8 1990 of less than 3,600 that is located in a county with a  
9 population in 1990 of less than 34,000 and for which at least  
10 \$250,000 of tax increment bonds were authorized on June 17,  
11 1997, or (H) if the ordinance was adopted on October 5, 1982  
12 by the City of Kankakee, or (I) if the ordinance was adopted  
13 on December 29, 1986 by East St. Louis, or if the ordinance  
14 was adopted on November 12, 1991 by the Village of Sauget, or  
15 (J) if the ordinance was adopted on February 11, 1985 by the  
16 City of Rock Island, or (K) if the ordinance was adopted  
17 before December 18, 1986 by the City of Moline, or (L) if the  
18 ordinance was adopted in September 1988 by Sauk Village, or  
19 (M) if the ordinance was adopted in October 1993 by Sauk  
20 Village, or (N) if the ordinance was adopted on December 29,  
21 1986 by the City of Galva, or (O) if the ordinance was  
22 adopted in March 1991 by the City of Centreville, or (P) ~~(L)~~  
23 if the ordinance was adopted on January 23, 1991 by the City  
24 of East St. Louis and, for redevelopment project areas for  
25 which bonds were issued before July 29, 1991, in connection  
26 with a redevelopment project in the area within the State  
27 Sales Tax Boundary and which were extended by municipal  
28 ordinance under subsection (n) of Section 11-74.4-3, the last  
29 maturity of the refunding obligations shall not be expressed  
30 to mature later than the date on which the redevelopment  
31 project area is terminated or December 31, 2013, whichever  
32 date occurs first.

33 In the event a municipality issues obligations under home  
34 rule powers or other legislative authority the proceeds of

1 which are pledged to pay for redevelopment project costs, the  
2 municipality may, if it has followed the procedures in  
3 conformance with this division, retire said obligations from  
4 funds in the special tax allocation fund in amounts and in  
5 such manner as if such obligations had been issued pursuant  
6 to the provisions of this division.

7 All obligations heretofore or hereafter issued pursuant  
8 to this Act shall not be regarded as indebtedness of the  
9 municipality issuing such obligations or any other taxing  
10 district for the purpose of any limitation imposed by law.

11 (Source: P.A. 91-261, eff. 7-23-99; 91-477, eff. 8-11-99;  
12 91-478, eff. 11-1-99; 91-642, eff. 8-20-99; 91-763, eff.  
13 6-9-00; 92-263, eff. 8-7-01; 92-406, eff. 1-1-02; revised  
14 10-10-01.)