

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.