

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 Longtime Owner-Occupant Property Tax
5 Relief Act is amended by changing Sections 1, 5, 10, 15, and
6 20 as follows:

7 (35 ILCS 250/1)

8 Sec. 1. Short title. This Act may be cited as the
9 Longtime Owner-Occupant and Small Business Owner Property Tax
10 Relief Act.

11 (Source: P.A. 88-451.)

12 (35 ILCS 250/5)

13 Sec. 5. Public policy. In recognition of the severe
14 economic circumstances of (i) certain longtime
15 owner-occupants of residences who are faced with rising
16 living costs and constantly increasing tax burdens in areas
17 where real property values have risen markedly as a
18 consequence of the renovation of other deteriorating
19 residences or the construction of new residences and (ii)
20 certain longtime owners of small businesses who are faced
21 with increases in property tax burdens as a result of rising
22 tax rates and the decline in the amount of taxable commercial
23 and industrial property, the General Assembly considers it to
24 be a matter of sound public policy for counties having a
25 population of 100,000 or more to adopt uniform special real
26 property tax relief provisions in order to allow longtime
27 owner-occupants of residences and longtime owners of small
28 businesses to remain in peaceful possession of their homes
29 and businesses.

30 (Source: P.A. 88-451.)

1 (35 ILCS 250/10)

2 Sec. 10. Definitions. As used in this Act, unless the
3 context clearly indicates otherwise:

4 (a) "Longtime owner-occupant" means a person who
5 for at least 10 continuous years has owned and has
6 occupied the same dwelling place as a principal residence
7 and domicile, or any person who for at least 5 years has
8 owned and occupied the same dwelling place as a principal
9 residence and domicile if that person received assistance
10 in the acquisition of the property as part of a
11 government or nonprofit housing program.

12 (a-1) "Longtime small business owner" means any
13 for-profit business in Illinois including, but not
14 limited to, any sole proprietorship, partnership,
15 corporation, joint venture, association, or cooperative
16 that has, including its affiliates, less than 500
17 full-time employees and has occupied the same commercial
18 or industrial property for at least 10 continuous years.

19 (b) "Principal residence" means the dwelling place
20 of a person, including the principal house and lot, and
21 such lots as are used in connection with the principal
22 house and lot that contribute to its enjoyment, comfort
23 and convenience. For purposes of this Act, the term may
24 also include a building with a maximum of one commercial
25 establishment and a maximum of 3 residential units of
26 which one residential unit must be the principal
27 residence of the longtime owner-occupant.

28 (Source: P.A. 88-451.)

29 (35 ILCS 250/15)

30 Sec. 15. Deferral or exemption authority.

31 (a) The corporate authorities of a county shall have the
32 power to provide, by ordinance or resolution, for uniform
33 special real property tax relief provisions granting longtime

1 owner-occupants a deferral or exemption, or combination
2 thereof, in the payment of that portion of an increase of
3 real property taxes which is due to an increase in the market
4 value of the real property as a consequence of the
5 refurbishing or renovating of other residences or the
6 construction of new residences in long-established
7 residential areas or areas of deteriorated, vacant or
8 abandoned homes and properties. A deferral or exemption, or
9 combination thereof, may be granted until the longtime
10 owner-occupant transfers title to the property.

11 The ordinance or resolution must include a provision
12 requiring that eligibility notification of the special real
13 property tax relief be delivered to the record owner of the
14 property taxed. The eligibility notification shall be mailed
15 to the address of the record owner on file with the county.
16 If the notification is mailed by the county to a mortgagee
17 because it is the only address of the record owner filed with
18 the county, then the mortgagee shall, within 30 days of
19 receipt, forward a copy of the notice to each mortgagor of
20 the property. There shall be no liability for the failure of
21 the mortgagee to forward the notice to each mortgagor.

22 (a-1) The corporate authorities of a county may provide,
23 by ordinance or resolution, for uniform special real property
24 tax relief provisions granting longtime small business owners
25 a deferral or exemption, or combination thereof, in the
26 payment of that portion of an increase of real property taxes
27 that is due to a combination of excessive tax rates and
28 generally declining equalized assessed valuation in the
29 commercial and industrial properties in the geographical area
30 in which the longtime small business is located. A deferral
31 or exemption, or combination thereof, may be granted until
32 the longtime small business owner transfers title to the
33 property.

34 (b) The corporate authority of a county is authorized to

1 enact ordinances or resolutions that provide for the
2 designation of areas eligible for the special real property
3 tax relief provisions under this Act. Before enacting an
4 ordinance or resolution that proposes designating such an
5 area, the corporate authorities shall conduct a public
6 hearing on the proposed ordinance or resolution.

7 (c) School districts and municipalities within a county
8 have authority to determine their participation in the
9 program of special real property tax relief within their
10 taxing jurisdictions. The provisions of this subsection shall
11 not apply to municipalities and school districts included
12 under subsection (d) of this Section.

13 (d) Notwithstanding any provision to the contrary, if
14 the corporate authority of a county with 3,000,000 or more
15 inhabitants enacts an ordinance or resolution in accordance
16 with subsection (c), a municipality having a population
17 exceeding 500,000 within that county and a school district in
18 a municipality having a population exceeding 500,000 within
19 that county must participate in the program of special
20 property tax relief within their taxing jurisdiction. This
21 subsection is a denial and limitation of home rule powers and
22 functions under subsection (g) of Section 6 of Article VII of
23 the Illinois Constitution.

24 (Source: P.A. 90-648, eff. 7-24-98; 91-894, eff. 1-1-01.)

25 (35 ILCS 250/20)

26 Sec. 20. Conditions of deferral or exemption.

27 (a) Any deferral or exemption of payment of an increase
28 in real property taxes granted under this Act shall be
29 limited to real property that meets both of the following
30 conditions:

31 (1) The property is owned and occupied by a
32 longtime owner-occupant.

33 (2) The property is the principal residence and

1 domicile of the longtime owner-occupant.

2 The corporate authorities of a county, by ordinance or
3 resolution, may impose additional criteria for qualifying for
4 a deferral or exemption under this Act including, but not
5 limited to, (i) requiring the owner-occupant to have owned
6 and occupied the same dwelling place as principal residence
7 and domicile for a period of more than 10 years, (ii)
8 establishing age criteria for eligibility of an
9 owner-occupant, and (iii) establishing income criteria for
10 eligibility of an owner-occupant.

11 (a-1) In the case of a small business, the property must
12 be the principal industrial or commercial property of the
13 longtime small business owner to receive any deferral or
14 exemption of payment of an increase in real property taxes
15 under this Act.

16 (b) No penalties or interest shall accrue on the portion
17 of any deferral granted under this Act.

18 (c) Except as provided in subsection (d) of Section 15,
19 school districts and municipalities within a county to which
20 this Act applies may determine whether financial need, age,
21 or both, of the longtime owner-occupant shall be used to
22 determine eligibility.

23 (Source: P.A. 90-648, eff. 7-24-98.)

24 Section 99. Effective date. This Act takes effect upon
25 becoming law.