

1 AN ACT concerning revenue.

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 changing  
5 Sections 9-275, 15-169, 15-170, and 15-175 and by adding  
6 Sections 15-172.5 and 15-178 as follows:

7 (35 ILCS 200/9-275)

8 Sec. 9-275. Erroneous homestead exemptions.

9 (a) For purposes of this Section:

10 "Erroneous homestead exemption" means a homestead  
11 exemption that was granted for real property in a taxable year  
12 if the property was not eligible for that exemption in that  
13 taxable year. If the taxpayer receives an erroneous homestead  
14 exemption under a single Section of this Code for the same  
15 property in multiple years, that exemption is considered a  
16 single erroneous homestead exemption for purposes of this  
17 Section. However, if the taxpayer receives erroneous homestead  
18 exemptions under multiple Sections of this Code for the same  
19 property, or if the taxpayer receives erroneous homestead  
20 exemptions under the same Section of this Code for multiple  
21 properties, then each of those exemptions is considered a  
22 separate erroneous homestead exemption for purposes of this  
23 Section.

1 "Homestead exemption" means an exemption under Section  
2 15-165 (veterans with disabilities), 15-167 (returning  
3 veterans), 15-168 (persons with disabilities), 15-169  
4 (standard homestead for veterans with disabilities and  
5 veterans 75 years of age or older), 15-170 (senior citizens),  
6 15-172 (senior citizens assessment freeze), 15-175 (general  
7 homestead), 15-176 (alternative general homestead), or 15-177  
8 (long-time occupant).

9 "Erroneous exemption principal amount" means the total  
10 difference between the property taxes actually billed to a  
11 property index number and the amount of property taxes that  
12 would have been billed but for the erroneous exemption or  
13 exemptions.

14 "Taxpayer" means the property owner or leasehold owner that  
15 erroneously received a homestead exemption upon property.

16 (b) Notwithstanding any other provision of law, in counties  
17 with 3,000,000 or more inhabitants, the chief county assessment  
18 officer shall include the following information with each  
19 assessment notice sent in a general assessment year: (1) a list  
20 of each homestead exemption available under Article 15 of this  
21 Code and a description of the eligibility criteria for that  
22 exemption; (2) a list of each homestead exemption applied to  
23 the property in the current assessment year; (3) information  
24 regarding penalties and interest that may be incurred under  
25 this Section if the taxpayer received an erroneous homestead  
26 exemption in a previous taxable year; and (4) notice of the

1 60-day grace period available under this subsection. If, within  
2 60 days after receiving his or her assessment notice, the  
3 taxpayer notifies the chief county assessment officer that he  
4 or she received an erroneous homestead exemption in a previous  
5 taxable year, and if the taxpayer pays the erroneous exemption  
6 principal amount, plus interest as provided in subsection (f),  
7 then the taxpayer shall not be liable for the penalties  
8 provided in subsection (f) with respect to that exemption.

9 (c) In counties with 3,000,000 or more inhabitants, when  
10 the chief county assessment officer determines that one or more  
11 erroneous homestead exemptions was applied to the property, the  
12 erroneous exemption principal amount, together with all  
13 applicable interest and penalties as provided in subsections  
14 (f) and (j), shall constitute a lien in the name of the People  
15 of Cook County on the property receiving the erroneous  
16 homestead exemption. Upon becoming aware of the existence of  
17 one or more erroneous homestead exemptions, the chief county  
18 assessment officer shall cause to be served, by both regular  
19 mail and certified mail, a notice of discovery as set forth in  
20 subsection (c-5). The chief county assessment officer in a  
21 county with 3,000,000 or more inhabitants may cause a lien to  
22 be recorded against property that (1) is located in the county  
23 and (2) received one or more erroneous homestead exemptions if,  
24 upon determination of the chief county assessment officer, the  
25 taxpayer received: (A) one or 2 erroneous homestead exemptions  
26 for real property, including at least one erroneous homestead

1 exemption granted for the property against which the lien is  
2 sought, during any of the 3 collection years immediately prior  
3 to the current collection year in which the notice of discovery  
4 is served; or (B) 3 or more erroneous homestead exemptions for  
5 real property, including at least one erroneous homestead  
6 exemption granted for the property against which the lien is  
7 sought, during any of the 6 collection years immediately prior  
8 to the current collection year in which the notice of discovery  
9 is served. Prior to recording the lien against the property,  
10 the chief county assessment officer shall cause to be served,  
11 by both regular mail and certified mail, return receipt  
12 requested, on the person to whom the most recent tax bill was  
13 mailed and the owner of record, a notice of intent to record a  
14 lien against the property. The chief county assessment officer  
15 shall cause the notice of intent to record a lien to be served  
16 within 3 years from the date on which the notice of discovery  
17 was served.

18 (c-5) The notice of discovery described in subsection (c)  
19 shall: (1) identify, by property index number, the property for  
20 which the chief county assessment officer has knowledge  
21 indicating the existence of an erroneous homestead exemption;  
22 (2) set forth the taxpayer's liability for principal, interest,  
23 penalties, and administrative costs including, but not limited  
24 to, recording fees described in subsection (f); (3) inform the  
25 taxpayer that he or she will be served with a notice of intent  
26 to record a lien within 3 years from the date of service of the

1 notice of discovery; (4) inform the taxpayer that he or she may  
2 pay the outstanding amount, plus interest, penalties, and  
3 administrative costs at any time prior to being served with the  
4 notice of intent to record a lien or within 30 days after the  
5 notice of intent to record a lien is served; and (5) inform the  
6 taxpayer that, if the taxpayer provided notice to the chief  
7 county assessment officer as provided in subsection (d-1) of  
8 Section 15-175 of this Code, upon submission by the taxpayer of  
9 evidence of timely notice and receipt thereof by the chief  
10 county assessment officer, the chief county assessment officer  
11 will withdraw the notice of discovery and reissue a notice of  
12 discovery in compliance with this Section in which the taxpayer  
13 is not liable for interest and penalties for the current tax  
14 year in which the notice was received.

15 For the purposes of this subsection (c-5):

16 "Collection year" means the year in which the first and  
17 second installment of the current tax year is billed.

18 "Current tax year" means the year prior to the collection  
19 year.

20 (d) The notice of intent to record a lien described in  
21 subsection (c) shall: (1) identify, by property index number,  
22 the property against which the lien is being sought; (2)  
23 identify each specific homestead exemption that was  
24 erroneously granted and the year or years in which each  
25 exemption was granted; (3) set forth the erroneous exemption  
26 principal amount due and the interest amount and any penalty

1 and administrative costs due; (4) inform the taxpayer that he  
2 or she may request a hearing within 30 days after service and  
3 may appeal the hearing officer's ruling to the circuit court;  
4 (5) inform the taxpayer that he or she may pay the erroneous  
5 exemption principal amount, plus interest and penalties,  
6 within 30 days after service; and (6) inform the taxpayer that,  
7 if the lien is recorded against the property, the amount of the  
8 lien will be adjusted to include the applicable recording fee  
9 and that fees for recording a release of the lien shall be  
10 incurred by the taxpayer. A lien shall not be filed pursuant to  
11 this Section if the taxpayer pays the erroneous exemption  
12 principal amount, plus penalties and interest, within 30 days  
13 of service of the notice of intent to record a lien.

14 (e) The notice of intent to record a lien shall also  
15 include a form that the taxpayer may return to the chief county  
16 assessment officer to request a hearing. The taxpayer may  
17 request a hearing by returning the form within 30 days after  
18 service. The hearing shall be held within 90 days after the  
19 taxpayer is served. The chief county assessment officer shall  
20 promulgate rules of service and procedure for the hearing. The  
21 chief county assessment officer must generally follow rules of  
22 evidence and practices that prevail in the county circuit  
23 courts, but, because of the nature of these proceedings, the  
24 chief county assessment officer is not bound by those rules in  
25 all particulars. The chief county assessment officer shall  
26 appoint a hearing officer to oversee the hearing. The taxpayer

1 shall be allowed to present evidence to the hearing officer at  
2 the hearing. After taking into consideration all the relevant  
3 testimony and evidence, the hearing officer shall make an  
4 administrative decision on whether the taxpayer was  
5 erroneously granted a homestead exemption for the taxable year  
6 in question. The taxpayer may appeal the hearing officer's  
7 ruling to the circuit court of the county where the property is  
8 located as a final administrative decision under the  
9 Administrative Review Law.

10 (f) A lien against the property imposed under this Section  
11 shall be filed with the county recorder of deeds, but may not  
12 be filed sooner than 60 days after the notice of intent to  
13 record a lien was delivered to the taxpayer if the taxpayer  
14 does not request a hearing, or until the conclusion of the  
15 hearing and all appeals if the taxpayer does request a hearing.  
16 If a lien is filed pursuant to this Section and the taxpayer  
17 received one or 2 erroneous homestead exemptions during any of  
18 the 3 collection years immediately prior to the current  
19 collection year in which the notice of discovery is served,  
20 then the erroneous exemption principal amount, plus 10%  
21 interest per annum or portion thereof from the date the  
22 erroneous exemption principal amount would have become due if  
23 properly included in the tax bill, shall be charged against the  
24 property by the chief county assessment officer. However, if a  
25 lien is filed pursuant to this Section and the taxpayer  
26 received 3 or more erroneous homestead exemptions during any of

1 the 6 collection years immediately prior to the current  
2 collection year in which the notice of discovery is served, the  
3 erroneous exemption principal amount, plus a penalty of 50% of  
4 the total amount of the erroneous exemption principal amount  
5 for that property and 10% interest per annum or portion thereof  
6 from the date the erroneous exemption principal amount would  
7 have become due if properly included in the tax bill, shall be  
8 charged against the property by the chief county assessment  
9 officer. If a lien is filed pursuant to this Section, the  
10 taxpayer shall not be liable for interest that accrues between  
11 the date the notice of discovery is served and the date the  
12 lien is filed. Before recording the lien with the county  
13 recorder of deeds, the chief county assessment officer shall  
14 adjust the amount of the lien to add administrative costs,  
15 including but not limited to the applicable recording fee, to  
16 the total lien amount.

17 (g) If a person received an erroneous homestead exemption  
18 under Section 15-170 and: (1) the person was the spouse, child,  
19 grandchild, brother, sister, niece, or nephew of the previous  
20 taxpayer; and (2) the person received the property by bequest  
21 or inheritance; then the person is not liable for the penalties  
22 imposed under this Section for any year or years during which  
23 the chief county assessment officer did not require an annual  
24 application for the exemption. However, that person is  
25 responsible for any interest owed under subsection (f).

26 (h) If the erroneous homestead exemption was granted as a



1 result of a clerical error or omission on the part of the chief  
2 county assessment officer, and if the taxpayer has paid the tax  
3 bills as received for the year in which the error occurred,  
4 then the interest and penalties authorized by this Section with  
5 respect to that homestead exemption shall not be chargeable to  
6 the taxpayer. However, nothing in this Section shall prevent  
7 the collection of the erroneous exemption principal amount due  
8 and owing.

9 (i) A lien under this Section is not valid as to (1) any  
10 bona fide purchaser for value without notice of the erroneous  
11 homestead exemption whose rights in and to the underlying  
12 parcel arose after the erroneous homestead exemption was  
13 granted but before the filing of the notice of lien; or (2) any  
14 mortgagee, judgment creditor, or other lienor whose rights in  
15 and to the underlying parcel arose before the filing of the  
16 notice of lien. A title insurance policy for the property that  
17 is issued by a title company licensed to do business in the  
18 State showing that the property is free and clear of any liens  
19 imposed under this Section shall be prima facie evidence that  
20 the taxpayer is without notice of the erroneous homestead  
21 exemption. Nothing in this Section shall be deemed to impair  
22 the rights of subsequent creditors and subsequent purchasers  
23 under Section 30 of the Conveyances Act.

24 (j) When a lien is filed against the property pursuant to  
25 this Section, the chief county assessment officer shall mail a  
26 copy of the lien to the person to whom the most recent tax bill

1 was mailed and to the owner of record, and the outstanding  
2 liability created by such a lien is due and payable within 30  
3 days after the mailing of the lien by the chief county  
4 assessment officer. This liability is deemed delinquent and  
5 shall bear interest beginning on the day after the due date at  
6 a rate of 1.5% per month or portion thereof. Payment shall be  
7 made to the county treasurer. Upon receipt of the full amount  
8 due, as determined by the chief county assessment officer, the  
9 county treasurer shall distribute the amount paid as provided  
10 in subsection (k). Upon presentment by the taxpayer to the  
11 chief county assessment officer of proof of payment of the  
12 total liability, the chief county assessment officer shall  
13 provide in reasonable form a release of the lien. The release  
14 of the lien provided shall clearly inform the taxpayer that it  
15 is the responsibility of the taxpayer to record the lien  
16 release form with the county recorder of deeds and to pay any  
17 applicable recording fees.

18 (k) The county treasurer shall pay collected erroneous  
19 exemption principal amounts, pro rata, to the taxing districts,  
20 or their legal successors, that levied upon the subject  
21 property in the taxable year or years for which the erroneous  
22 homestead exemptions were granted, except as set forth in this  
23 Section. The county treasurer shall deposit collected  
24 penalties and interest into a special fund established by the  
25 county treasurer to offset the costs of administration of the  
26 provisions of this Section by the chief county assessment

1 officer's office, as appropriated by the county board. If the  
2 costs of administration of this Section exceed the amount of  
3 interest and penalties collected in the special fund, the chief  
4 county assessor shall be reimbursed by each taxing district or  
5 their legal successors for those costs. Such costs shall be  
6 paid out of the funds collected by the county treasurer on  
7 behalf of each taxing district pursuant to this Section.

8 (1) The chief county assessment officer in a county with  
9 3,000,000 or more inhabitants shall establish an amnesty period  
10 for all taxpayers owing any tax due to an erroneous homestead  
11 exemption granted in a tax year prior to the 2013 tax year. The  
12 amnesty period shall begin on the effective date of this  
13 amendatory Act of the 98th General Assembly and shall run  
14 through December 31, 2013. If, during the amnesty period, the  
15 taxpayer pays the entire arrearage of taxes due for tax years  
16 prior to 2013, the county clerk shall abate and not seek to  
17 collect any interest or penalties that may be applicable and  
18 shall not seek civil or criminal prosecution for any taxpayer  
19 for tax years prior to 2013. Failure to pay all such taxes due  
20 during the amnesty period established under this Section shall  
21 invalidate the amnesty period for that taxpayer.

22 The chief county assessment officer in a county with  
23 3,000,000 or more inhabitants shall (i) mail notice of the  
24 amnesty period with the tax bills for the second installment of  
25 taxes for the 2012 assessment year and (ii) as soon as possible  
26 after the effective date of this amendatory Act of the 98th

1 General Assembly, publish notice of the amnesty period in a  
2 newspaper of general circulation in the county. Notices shall  
3 include information on the amnesty period, its purpose, and the  
4 method by which to make payment.

5 Taxpayers who are a party to any criminal investigation or  
6 to any civil or criminal litigation that is pending in any  
7 circuit court or appellate court, or in the Supreme Court of  
8 this State, for nonpayment, delinquency, or fraud in relation  
9 to any property tax imposed by any taxing district located in  
10 the State on the effective date of this amendatory Act of the  
11 98th General Assembly may not take advantage of the amnesty  
12 period.

13 A taxpayer who has claimed 3 or more homestead exemptions  
14 in error shall not be eligible for the amnesty period  
15 established under this subsection.

16 (Source: P.A. 98-93, eff. 7-16-13; 98-756, eff. 7-16-14;  
17 98-811, eff. 1-1-15; 98-1143, eff. 1-1-15; 99-143, eff.  
18 7-27-15; 99-851, eff. 8-19-16.)

19 (35 ILCS 200/15-169)

20 Sec. 15-169. Homestead exemption for veterans with  
21 disabilities and veterans who are 75 years of age or older.

22 (a) Beginning with taxable year 2007, an annual homestead  
23 exemption, limited to the amounts set forth in subsections (b),  
24 ~~and~~ (b-3), and (b-4) is granted for property that is used as a  
25 qualified residence by a veteran with a disability or,

1 beginning in taxable year 2017, a veteran who is 75 years of  
2 age or older.

3 (b) For taxable years prior to 2015, the amount of the  
4 exemption under this Section is as follows:

5 (1) for veterans with a service-connected disability  
6 of at least (i) 75% for exemptions granted in taxable years  
7 2007 through 2009 and (ii) 70% for exemptions granted in  
8 taxable year 2010 and each taxable year thereafter, as  
9 certified by the United States Department of Veterans  
10 Affairs, the annual exemption is \$5,000; and

11 (2) for veterans with a service-connected disability  
12 of at least 50%, but less than (i) 75% for exemptions  
13 granted in taxable years 2007 through 2009 and (ii) 70% for  
14 exemptions granted in taxable year 2010 and each taxable  
15 year thereafter, as certified by the United States  
16 Department of Veterans Affairs, the annual exemption is  
17 \$2,500.

18 (b-3) For taxable years 2015 and 2016 ~~thereafter~~:

19 (1) if the veteran has a service connected disability  
20 of 30% or more but less than 50%, as certified by the  
21 United States Department of Veterans Affairs, then the  
22 annual exemption is \$2,500;

23 (2) if the veteran has a service connected disability  
24 of 50% or more but less than 70%, as certified by the  
25 United States Department of Veterans Affairs, then the  
26 annual exemption is \$5,000; and

1           (3) if the veteran has a service connected disability  
2 of 70% or more, as certified by the United States  
3 Department of Veterans Affairs, then the property is exempt  
4 from taxation under this Code.

5           (b-4) For taxable years 2017 and thereafter:

6           (1) if the veteran has a service connected disability  
7 of 20% or more but less than 50%, as certified by the  
8 United States Department of Veterans Affairs or the United  
9 States Department of Defense, then the annual exemption is  
10 \$2,500;

11           (2) if the veteran has a service connected disability  
12 of 50% or more but less than 70%, as certified by the  
13 United States Department of Veterans Affairs or the United  
14 States Department of Defense, then the annual exemption is  
15 \$5,000;

16           (3) if the veteran has a service connected disability  
17 of 70% or more, as certified by the United States  
18 Department of Veterans Affairs or the United States  
19 Department of Defense, then the property is exempt from  
20 taxation under this Code; and

21           (4) if the veteran does not qualify under paragraphs  
22 (1) through (3) of this subsection (b-4), but the veteran  
23 is 75 years of age or older during the taxable year, then  
24 \$2,500.

25           (b-5) If a homestead exemption is granted under this  
26 Section and the person awarded the exemption subsequently

1 becomes a resident of a facility licensed under the Nursing  
2 Home Care Act or a facility operated by the United States  
3 Department of Veterans Affairs, then the exemption shall  
4 continue (i) so long as the residence continues to be occupied  
5 by the qualifying person's spouse or (ii) if the residence  
6 remains unoccupied but is still owned by the person who  
7 qualified for the homestead exemption.

8 (c) The tax exemption under this Section carries over to  
9 the benefit of the veteran's surviving spouse as long as the  
10 spouse holds the legal or beneficial title to the homestead,  
11 permanently resides thereon, and does not remarry. If the  
12 surviving spouse sells the property, an exemption not to exceed  
13 the amount granted from the most recent ad valorem tax roll may  
14 be transferred to his or her new residence as long as it is  
15 used as his or her primary residence and he or she does not  
16 remarry.

17 As used in this subsection (c):

18 (1) for taxable years prior to 2015, "surviving spouse"  
19 means the surviving spouse of a veteran who obtained an  
20 exemption under this Section prior to his or her death;

21 (2) for taxable year 2015 and 2016, "surviving spouse"  
22 means (i) the surviving spouse of a veteran who obtained an  
23 exemption under this Section prior to his or her death and  
24 (ii) the surviving spouse of a veteran who was killed in  
25 the line of duty; and

26 (3) for taxable year 2017 and thereafter, "surviving

1 spouse" means (i) the surviving spouse of a veteran who  
2 qualified for the exemption under this Section prior to his  
3 or her death, (ii) the surviving spouse of a veteran who  
4 was killed in the line of duty, and (iii) the surviving  
5 spouse of a veteran who did not obtain an exemption under  
6 this Section before death, but who applied for a  
7 service-connected disability certification from the United  
8 States Department of Veterans Affairs or the United States  
9 Department of Defense no earlier than January 1, 2007 and  
10 would have qualified for the exemption under this Section  
11 in the current taxable year if he or she had survived.

12 (c-1) Beginning with taxable year 2015, nothing in this  
13 Section shall require the veteran to have qualified for or  
14 obtained the exemption before death if the veteran was killed  
15 in the line of duty.

16 (d) The exemption under this Section applies for taxable  
17 year 2007 and thereafter. A taxpayer who claims an exemption  
18 under Section 15-165 or 15-168 may not claim an exemption under  
19 this Section.

20 (e) Each taxpayer who has been granted an exemption under  
21 this Section must reapply on an annual basis. Application must  
22 be made during the application period in effect for the county  
23 of his or her residence. The assessor or chief county  
24 assessment officer may determine the eligibility of  
25 residential property to receive the homestead exemption  
26 provided by this Section by application, visual inspection,



1 questionnaire, or other reasonable methods. The determination  
2 must be made in accordance with guidelines established by the  
3 Department.

4 (f) For the purposes of this Section:

5 "Qualified residence" means real property, but less any  
6 portion of that property that is used for commercial purposes,  
7 with an equalized assessed value of less than \$250,000 that is  
8 the primary residence of a veteran with a disability or,  
9 beginning in taxable year 2017, a veteran who is 75 years of  
10 age or older. Property rented for more than 6 months is  
11 presumed to be used for commercial purposes.

12 "Veteran" means an Illinois resident who has served as a  
13 member of the United States Armed Forces on active duty or  
14 State active duty, a member of the Illinois National Guard, or  
15 a member of the United States Reserve Forces and who has  
16 received an honorable discharge.

17 (Source: P.A. 98-1145, eff. 12-30-14; 99-143, eff. 7-27-15;  
18 99-375, eff. 8-17-15; 99-642, eff. 7-28-16.)

19 (35 ILCS 200/15-170)

20 Sec. 15-170. Senior Citizens Homestead Exemption. An  
21 annual homestead exemption limited, except as described here  
22 with relation to cooperatives or life care facilities, to a  
23 maximum reduction set forth below from the property's value, as  
24 equalized or assessed by the Department, is granted for  
25 property that is occupied as a residence by a person 65 years

1 of age or older who is liable for paying real estate taxes on  
2 the property and is an owner of record of the property or has a  
3 legal or equitable interest therein as evidenced by a written  
4 instrument, except for a leasehold interest, other than a  
5 leasehold interest of land on which a single family residence  
6 is located, which is occupied as a residence by a person 65  
7 years or older who has an ownership interest therein, legal,  
8 equitable or as a lessee, and on which he or she is liable for  
9 the payment of property taxes. Before taxable year 2004, the  
10 maximum reduction shall be \$2,500 in counties with 3,000,000 or  
11 more inhabitants and \$2,000 in all other counties. For taxable  
12 years 2004 through 2005, the maximum reduction shall be \$3,000  
13 in all counties. For taxable years 2006 and 2007, the maximum  
14 reduction shall be \$3,500. For taxable years 2008 through 2011,  
15 the maximum reduction is \$4,000 in all counties. For taxable  
16 year 2012, the maximum reduction is \$5,000 in counties with  
17 3,000,000 or more inhabitants and \$4,000 in all other counties.  
18 For taxable years 2013 through 2016 ~~and thereafter~~, the maximum  
19 reduction is \$5,000 in all counties. For taxable years 2017 and  
20 thereafter, the maximum reduction is \$6,000 in all counties.

21 For land improved with an apartment building owned and  
22 operated as a cooperative, the maximum reduction from the value  
23 of the property, as equalized by the Department, shall be  
24 multiplied by the number of apartments or units occupied by a  
25 person 65 years of age or older who is liable, by contract with  
26 the owner or owners of record, for paying property taxes on the

1 property and is an owner of record of a legal or equitable  
2 interest in the cooperative apartment building, other than a  
3 leasehold interest. For land improved with a life care  
4 facility, the maximum reduction from the value of the property,  
5 as equalized by the Department, shall be multiplied by the  
6 number of apartments or units occupied by persons 65 years of  
7 age or older, irrespective of any legal, equitable, or  
8 leasehold interest in the facility, who are liable, under a  
9 contract with the owner or owners of record of the facility,  
10 for paying property taxes on the property. In a cooperative or  
11 a life care facility where a homestead exemption has been  
12 granted, the cooperative association or the management firm of  
13 the cooperative or facility shall credit the savings resulting  
14 from that exemption only to the apportioned tax liability of  
15 the owner or resident who qualified for the exemption. Any  
16 person who willfully refuses to so credit the savings shall be  
17 guilty of a Class B misdemeanor. Under this Section and  
18 Sections 15-175, 15-176, and 15-177, "life care facility" means  
19 a facility, as defined in Section 2 of the Life Care Facilities  
20 Act, with which the applicant for the homestead exemption has a  
21 life care contract as defined in that Act.

22 When a homestead exemption has been granted under this  
23 Section and the person qualifying subsequently becomes a  
24 resident of a facility licensed under the Assisted Living and  
25 Shared Housing Act, the Nursing Home Care Act, the Specialized  
26 Mental Health Rehabilitation Act of 2013, the ID/DD Community

1 Care Act, or the MC/DD Act, the exemption shall continue so  
2 long as the residence continues to be occupied by the  
3 qualifying person's spouse if the spouse is 65 years of age or  
4 older, or if the residence remains unoccupied but is still  
5 owned by the person qualified for the homestead exemption.

6 A person who will be 65 years of age during the current  
7 assessment year shall be eligible to apply for the homestead  
8 exemption during that assessment year. Application shall be  
9 made during the application period in effect for the county of  
10 his residence.

11 Beginning with assessment year 2003, for taxes payable in  
12 2004, property that is first occupied as a residence after  
13 January 1 of any assessment year by a person who is eligible  
14 for the senior citizens homestead exemption under this Section  
15 must be granted a pro-rata exemption for the assessment year.  
16 The amount of the pro-rata exemption is the exemption allowed  
17 in the county under this Section divided by 365 and multiplied  
18 by the number of days during the assessment year the property  
19 is occupied as a residence by a person eligible for the  
20 exemption under this Section. The chief county assessment  
21 officer must adopt reasonable procedures to establish  
22 eligibility for this pro-rata exemption.

23 The assessor or chief county assessment officer may  
24 determine the eligibility of a life care facility to receive  
25 the benefits provided by this Section, by affidavit,  
26 application, visual inspection, questionnaire or other

1 reasonable methods in order to insure that the tax savings  
2 resulting from the exemption are credited by the management  
3 firm to the apportioned tax liability of each qualifying  
4 resident. The assessor may request reasonable proof that the  
5 management firm has so credited the exemption.

6 The chief county assessment officer of each county with  
7 less than 3,000,000 inhabitants shall provide to each person  
8 allowed a homestead exemption under this Section a form to  
9 designate any other person to receive a duplicate of any notice  
10 of delinquency in the payment of taxes assessed and levied  
11 under this Code on the property of the person receiving the  
12 exemption. The duplicate notice shall be in addition to the  
13 notice required to be provided to the person receiving the  
14 exemption, and shall be given in the manner required by this  
15 Code. The person filing the request for the duplicate notice  
16 shall pay a fee of \$5 to cover administrative costs to the  
17 supervisor of assessments, who shall then file the executed  
18 designation with the county collector. Notwithstanding any  
19 other provision of this Code to the contrary, the filing of  
20 such an executed designation requires the county collector to  
21 provide duplicate notices as indicated by the designation. A  
22 designation may be rescinded by the person who executed such  
23 designation at any time, in the manner and form required by the  
24 chief county assessment officer.

25 The assessor or chief county assessment officer may  
26 determine the eligibility of residential property to receive

1 the homestead exemption provided by this Section by  
2 application, visual inspection, questionnaire or other  
3 reasonable methods. The determination shall be made in  
4 accordance with guidelines established by the Department.

5 In counties with 3,000,000 or more inhabitants, beginning  
6 in taxable year 2010, each taxpayer who has been granted an  
7 exemption under this Section must reapply on an annual basis.  
8 The chief county assessment officer shall mail the application  
9 to the taxpayer. In counties with less than 3,000,000  
10 inhabitants, the county board may by resolution provide that if  
11 a person has been granted a homestead exemption under this  
12 Section, the person qualifying need not reapply for the  
13 exemption.

14 In counties with less than 3,000,000 inhabitants, if the  
15 assessor or chief county assessment officer requires annual  
16 application for verification of eligibility for an exemption  
17 once granted under this Section, the application shall be  
18 mailed to the taxpayer.

19 The assessor or chief county assessment officer shall  
20 notify each person who qualifies for an exemption under this  
21 Section that the person may also qualify for deferral of real  
22 estate taxes under the Senior Citizens Real Estate Tax Deferral  
23 Act. The notice shall set forth the qualifications needed for  
24 deferral of real estate taxes, the address and telephone number  
25 of county collector, and a statement that applications for  
26 deferral of real estate taxes may be obtained from the county

1 collector.

2 Notwithstanding Sections 6 and 8 of the State Mandates Act,  
3 no reimbursement by the State is required for the  
4 implementation of any mandate created by this Section.

5 (Source: P.A. 98-7, eff. 4-23-13; 98-104, eff. 7-22-13; 98-756,  
6 eff. 7-16-14; 99-180, eff. 7-29-15.)

7 (35 ILCS 200/15-172.5 new)

8 Sec. 15-172.5. Assessment Freeze Homestead Exemption for  
9 persons receiving Supplemental Security Income.

10 (a) This Section may be cited as the Assessment Freeze  
11 Homestead Exemption for persons receiving Supplemental  
12 Security Income.

13 (b) As used in this Section:

14 "Applicant" means an individual who has filed an  
15 application under this Section.

16 "Base amount" means the base year equalized assessed value  
17 of the residence plus the first year's equalized assessed value  
18 of any added improvements which increased the assessed value of  
19 the residence after the base year.

20 "Base year" means the taxable year prior to the taxable  
21 year for which the applicant first qualifies and applies for  
22 the exemption, provided that, in the prior taxable year, the  
23 property was improved with a permanent structure that was  
24 occupied as a residence by the applicant who was liable for  
25 paying real property taxes on the property and who was either

1 (i) an owner of record of the property or had legal or  
2 equitable interest in the property as evidenced by a written  
3 instrument or (ii) had a legal or equitable interest as a  
4 lessee in the parcel of property that was single family  
5 residence.

6 "Chief County Assessment Officer" means the County  
7 Assessor or Supervisor of Assessments of the county in which  
8 the property is located.

9 "Equalized assessed value" means the assessed value of the  
10 property as equalized by the Department of Revenue.

11 "Household" means the applicant, the spouse of the  
12 applicant, and all persons using the residence of the applicant  
13 as their principal place of residence.

14 "Household income" means the combined income of the members  
15 of a household for the calendar year preceding the taxable  
16 year.

17 "Income" has the same meaning as provided in Section 3.07  
18 of the Senior Citizens and Persons with Disabilities Property  
19 Tax Relief Act, but does not include veteran's benefits.

20 "Internal Revenue Code of 1986" means the United States  
21 Internal Revenue Code of 1986 or any successor law or laws  
22 relating to federal income taxes in effect for the year  
23 preceding the taxable year.

24 "Life care facility that qualifies as a cooperative" means  
25 a facility as defined in Section 2 of the Life Care Facilities  
26 Act.



1 "Maximum income limitation" means \$55,000.

2 "Residence" means the principal dwelling place and  
3 appurtenant structures used for residential purposes in this  
4 State occupied on January 1 of the taxable year by a household  
5 and so much of the surrounding land, constituting the parcel  
6 upon which the dwelling place is situated, as is used for  
7 residential purposes. If the chief county assessment officer  
8 has established a specific legal description for a portion of  
9 property constituting the residence, then that portion of  
10 property shall be deemed the residence for the purposes of this  
11 Section.

12 "Taxable year" means the calendar year during which ad  
13 valorem property taxes payable in the next succeeding year are  
14 levied.

15 (c) Beginning in taxable year 2017, an assessment freeze  
16 homestead exemption is granted for real property that is  
17 improved with a permanent structure that is occupied as a  
18 residence by an applicant who (i) receives federal Supplemental  
19 Security Income during the taxable year, (ii) has a household  
20 income that does not exceed the maximum income limitation,  
21 (iii) is liable for paying real property taxes on the property,  
22 and (iv) is an owner of record of the property or has a legal or  
23 equitable interest in the property as evidenced by a written  
24 instrument. This homestead exemption shall also apply to a  
25 leasehold interest in a parcel of property improved with a  
26 permanent structure that is a single family residence that is

1 occupied as a residence by a person who (i) receives federal  
2 Supplemental Security Income during the taxable year, (ii) has  
3 a household income that does not exceed the maximum income  
4 limitation, (iii) has a legal or equitable ownership interest  
5 in the property as lessee, and (iv) is liable for the payment  
6 of real property taxes on that property.

7 The amount of the exemption is the equalized assessed value  
8 of the residence in the taxable year for which application is  
9 made minus the base amount.

10 When the applicant is a surviving spouse of an applicant  
11 for a prior year for the same residence for which an exemption  
12 under this Section has been granted, the base year and base  
13 amount for that residence are the same as for the applicant for  
14 the prior year.

15 Each year at the time the assessment books are certified to  
16 the County Clerk, the Board of Review or Board of Appeals shall  
17 give to the County Clerk a list of the assessed values of  
18 improvements on each parcel qualifying for this exemption that  
19 were added after the base year for this parcel and that  
20 increased the assessed value of the property.

21 In the case of land improved with an apartment building  
22 owned and operated as a cooperative or a building that is a  
23 life care facility that qualifies as a cooperative, the maximum  
24 reduction from the equalized assessed value of the property is  
25 limited to the sum of the reductions calculated for each unit  
26 occupied as a residence by a person or persons (i) who receive

1 federal Supplemental Security Income during the taxable year,  
2 (ii) with a household income that does not exceed the maximum  
3 income limitation, (iii) who are liable, by contract with the  
4 owner or owners of record, for paying real property taxes on  
5 the property, and (iv) who is an owner of record of a legal or  
6 equitable interest in the cooperative apartment building,  
7 other than a leasehold interest. In the instance of a  
8 cooperative where a homestead exemption has been granted under  
9 this Section, the cooperative association or its management  
10 firm shall credit the savings resulting from that exemption  
11 only to the apportioned tax liability of the owner who  
12 qualified for the exemption. Any person who willfully refuses  
13 to credit that savings to an owner who qualifies for the  
14 exemption is guilty of a Class B misdemeanor.

15 When a homestead exemption has been granted under this  
16 Section and an applicant then becomes a resident of a facility  
17 licensed under the Assisted Living and Shared Housing Act, the  
18 Nursing Home Care Act, the Specialized Mental Health  
19 Rehabilitation Act of 2013, the ID/DD Community Care Act, or  
20 the MC/DD Act, the exemption shall be granted in subsequent  
21 years so long as the residence (i) continues to be occupied by  
22 the qualified applicant's spouse or (ii) if remaining  
23 unoccupied, is still owned by the qualified applicant for the  
24 homestead exemption.

25 When an individual dies who would have qualified for an  
26 exemption under this Section, and the surviving spouse does not

1 independently qualify for this exemption because he or she does  
2 not receive Supplemental Security Income, the exemption under  
3 this Section shall be granted to the surviving spouse for the  
4 taxable year preceding and the taxable year of the death,  
5 provided that the surviving spouse meets all other  
6 qualifications for the granting of this exemption for those  
7 years.

8 When married persons maintain separate residences, the  
9 exemption provided for in this Section may be claimed by only  
10 one of such persons and for only one residence.

11 In counties having 3,000,000 or more inhabitants, to  
12 receive the exemption, a person may submit an application to  
13 the chief county assessment officer of the county in which the  
14 property is located during such period as may be specified by  
15 the chief county assessment officer. The chief county  
16 assessment officer in counties of 3,000,000 or more inhabitants  
17 shall annually give notice of the application period by mail or  
18 by publication. In counties having less than 3,000,000  
19 inhabitants, to receive the exemption, a person shall submit an  
20 application by July 1 of each taxable year to the chief county  
21 assessment officer of the county in which the property is  
22 located. A county having less than 3,000,000 inhabitants may,  
23 by ordinance, establish a date for submission of applications  
24 that is different than July 1. The applicant shall submit with  
25 the application an affidavit verifying the applicant's  
26 qualifications for the exemption under this Section. The

1 Department shall establish, by rule, a method for verifying the  
2 accuracy of such affidavits, and the chief county assessment  
3 officer may conduct audits of any taxpayer claiming an  
4 exemption under this Section to verify that the taxpayer is  
5 eligible to receive the exemption. Each application shall  
6 contain or be verified by a written declaration that it is made  
7 under the penalties of perjury. A taxpayer's signing a  
8 fraudulent application under this Act is perjury, as defined in  
9 Section 32-2 of the Criminal Code of 2012. The applications  
10 shall be clearly marked as applications for the Assessment  
11 Freeze Homestead Exemption for Persons Receiving Supplemental  
12 Security Income and must contain a notice that any taxpayer who  
13 receives the exemption is subject to an audit by the chief  
14 county assessment officer.

15 If an applicant fails to file the application required by  
16 this Section in a timely manner and this failure to file is due  
17 to a mental or physical condition sufficiently severe so as to  
18 render the applicant incapable of filing the application in a  
19 timely manner, the chief county assessment officer may extend  
20 the filing deadline for a period of 30 days after the applicant  
21 regains the capability to file the application, but in no case  
22 may the filing deadline be extended beyond 3 months of the  
23 original filing deadline. In order to receive the extension  
24 provided in this paragraph, the applicant shall provide the  
25 chief county assessment officer with a signed statement from  
26 the applicant's physician, advanced practice nurse, or

1 physician assistant stating the nature and extent of the  
2 condition, that, in the physician's, advanced practice  
3 nurse's, or physician assistant's opinion, the condition was so  
4 severe that it rendered the applicant incapable of filing the  
5 application in a timely manner, and the date on which the  
6 applicant regained the capability to file the application.

7 The chief county assessment officer may determine the  
8 eligibility of a life care facility that qualifies as a  
9 cooperative to receive the benefits provided by this Section by  
10 use of an affidavit, application, visual inspection,  
11 questionnaire, or other reasonable method in order to insure  
12 that the tax savings resulting from the exemption are credited  
13 by the management firm to the apportioned tax liability of each  
14 qualifying resident. The chief county assessment officer may  
15 request reasonable proof that the management firm has so  
16 credited that exemption.

17 Except as provided in this Section, all information  
18 received by the chief county assessment officer or the  
19 Department from applications filed under this Section, or from  
20 any investigation conducted under the provisions of this  
21 Section, shall be confidential, except for official purposes or  
22 pursuant to official procedures for collection of any State or  
23 local tax or enforcement of any civil or criminal penalty or  
24 sanction imposed by this Act or by any statute or ordinance  
25 imposing a State or local tax. Any person who divulges any such  
26 information in any manner, except in accordance with a proper

1 judicial order, is guilty of a Class A misdemeanor.

2 Nothing contained in this Section shall prevent the  
3 Director or chief county assessment officer from publishing or  
4 making available reasonable statistics concerning the  
5 operation of the exemption contained in this Section in which  
6 the contents of claims are grouped into aggregates in such a  
7 way that information contained in any individual claim shall  
8 not be disclosed.

9 (d) Each Chief County Assessment Officer shall annually  
10 publish a notice of availability of the exemption provided  
11 under this Section. The notice shall be published at least 60  
12 days but no more than 75 days prior to the date on which the  
13 application must be submitted to the Chief County Assessment  
14 Officer of the county in which the property is located. The  
15 notice shall appear in a newspaper of general circulation in  
16 the county.

17 Notwithstanding any other provision of law, no person who  
18 receives an exemption under this Section may receive an  
19 exemption under Section 15-172 (senior citizens assessment  
20 freeze homestead exemption) or Section 15-177 (long-time  
21 occupant homestead exemption) for the same tax year.

22 Notwithstanding Sections 6 and 8 of the State Mandates Act,  
23 no reimbursement by the State is required for the  
24 implementation of any mandate created by this Section.

25 (35 ILCS 200/15-175)

1           Sec. 15-175. General homestead exemption.

2           (a) Except as provided in Sections 15-176 and 15-177,  
3 homestead property is entitled to an annual homestead exemption  
4 limited, except as described here with relation to  
5 cooperatives, to a reduction in the equalized assessed value of  
6 homestead property equal to the increase in equalized assessed  
7 value for the current assessment year above the equalized  
8 assessed value of the property for 1977, up to the maximum  
9 reduction set forth below. If however, the 1977 equalized  
10 assessed value upon which taxes were paid is subsequently  
11 determined by local assessing officials, the Property Tax  
12 Appeal Board, or a court to have been excessive, the equalized  
13 assessed value which should have been placed on the property  
14 for 1977 shall be used to determine the amount of the  
15 exemption.

16           (b) Except as provided in Section 15-176, the maximum  
17 reduction before taxable year 2004 shall be \$4,500 in counties  
18 with 3,000,000 or more inhabitants and \$3,500 in all other  
19 counties. Except as provided in Sections 15-176 and 15-177, for  
20 taxable years 2004 through 2007, the maximum reduction shall be  
21 \$5,000, for taxable year 2008, the maximum reduction is \$5,500,  
22 and, for taxable years 2009 through 2011, the maximum reduction  
23 is \$6,000 in all counties. For taxable years 2012 through 2016  
24 ~~and thereafter~~, the maximum reduction is \$7,000 in counties  
25 with 3,000,000 or more inhabitants and \$6,000 in all other  
26 counties. For taxable years 2017 and thereafter, the maximum



1 reduction is \$8,000 in all counties. If a county has elected to  
2 subject itself to the provisions of Section 15-176 as provided  
3 in subsection (k) of that Section, then, for the first taxable  
4 year only after the provisions of Section 15-176 no longer  
5 apply, for owners who, for the taxable year, have not been  
6 granted a senior citizens assessment freeze homestead  
7 exemption under Section 15-172 or a long-time occupant  
8 homestead exemption under Section 15-177, there shall be an  
9 additional exemption of \$5,000 for owners with a household  
10 income of \$30,000 or less.

11 (c) In counties with fewer than 3,000,000 inhabitants, if,  
12 based on the most recent assessment, the equalized assessed  
13 value of the homestead property for the current assessment year  
14 is greater than the equalized assessed value of the property  
15 for 1977, the owner of the property shall automatically receive  
16 the exemption granted under this Section in an amount equal to  
17 the increase over the 1977 assessment up to the maximum  
18 reduction set forth in this Section.

19 (d) If in any assessment year beginning with the 2000  
20 assessment year, homestead property has a pro-rata valuation  
21 under Section 9-180 resulting in an increase in the assessed  
22 valuation, a reduction in equalized assessed valuation equal to  
23 the increase in equalized assessed value of the property for  
24 the year of the pro-rata valuation above the equalized assessed  
25 value of the property for 1977 shall be applied to the property  
26 on a proportionate basis for the period the property qualified

1 as homestead property during the assessment year. The maximum  
2 proportionate homestead exemption shall not exceed the maximum  
3 homestead exemption allowed in the county under this Section  
4 divided by 365 and multiplied by the number of days the  
5 property qualified as homestead property.

6 (d-1) In counties with 3,000,000 or more inhabitants, where  
7 the chief county assessment officer provides a notice of  
8 discovery, if a property is not occupied by its owner as a  
9 principal residence as of January 1 of the current tax year,  
10 then the property owner shall notify the chief county  
11 assessment officer of that fact on a form prescribed by the  
12 chief county assessment officer. That notice must be received  
13 by the chief county assessment officer on or before March 1 of  
14 the collection year. If mailed, the form shall be sent by  
15 certified mail, return receipt requested. If the form is  
16 provided in person, the chief county assessment officer shall  
17 provide a date stamped copy of the notice. Failure to provide  
18 timely notice pursuant to this subsection (d-1) shall result in  
19 the exemption being treated as an erroneous exemption. Upon  
20 timely receipt of the notice for the current tax year, no  
21 exemption shall be applied to the property for the current tax  
22 year. If the exemption is not removed upon timely receipt of  
23 the notice by the chief assessment officer, then the error is  
24 considered granted as a result of a clerical error or omission  
25 on the part of the chief county assessment officer as described  
26 in subsection (h) of Section 9-275, and the property owner

1 shall not be liable for the payment of interest and penalties  
2 due to the erroneous exemption for the current tax year for  
3 which the notice was filed after the date that notice was  
4 timely received pursuant to this subsection. Notice provided  
5 under this subsection shall not constitute a defense or amnesty  
6 for prior year erroneous exemptions.

7 For the purposes of this subsection (d-1):

8 "Collection year" means the year in which the first and  
9 second installment of the current tax year is billed.

10 "Current tax year" means the year prior to the collection  
11 year.

12 (e) The chief county assessment officer may, when  
13 considering whether to grant a leasehold exemption under this  
14 Section, require the following conditions to be met:

15 (1) that a notarized application for the exemption,  
16 signed by both the owner and the lessee of the property,  
17 must be submitted each year during the application period  
18 in effect for the county in which the property is located;

19 (2) that a copy of the lease must be filed with the  
20 chief county assessment officer by the owner of the  
21 property at the time the notarized application is  
22 submitted;

23 (3) that the lease must expressly state that the lessee  
24 is liable for the payment of property taxes; and

25 (4) that the lease must include the following language  
26 in substantially the following form:

1           "Lessee shall be liable for the payment of real  
2           estate taxes with respect to the residence in  
3           accordance with the terms and conditions of Section  
4           15-175 of the Property Tax Code (35 ILCS 200/15-175).  
5           The permanent real estate index number for the premises  
6           is (insert number), and, according to the most recent  
7           property tax bill, the current amount of real estate  
8           taxes associated with the premises is (insert amount)  
9           per year. The parties agree that the monthly rent set  
10          forth above shall be increased or decreased pro rata  
11          (effective January 1 of each calendar year) to reflect  
12          any increase or decrease in real estate taxes. Lessee  
13          shall be deemed to be satisfying Lessee's liability for  
14          the above mentioned real estate taxes with the monthly  
15          rent payments as set forth above (or increased or  
16          decreased as set forth herein).".

17          In addition, if there is a change in lessee, or if the  
18          lessee vacates the property, then the chief county assessment  
19          officer may require the owner of the property to notify the  
20          chief county assessment officer of that change.

21          This subsection (e) does not apply to leasehold interests  
22          in property owned by a municipality.

23          (f) "Homestead property" under this Section includes  
24          residential property that is occupied by its owner or owners as  
25          his or their principal dwelling place, or that is a leasehold  
26          interest on which a single family residence is situated, which

1 is occupied as a residence by a person who has an ownership  
2 interest therein, legal or equitable or as a lessee, and on  
3 which the person is liable for the payment of property taxes.  
4 For land improved with an apartment building owned and operated  
5 as a cooperative or a building which is a life care facility as  
6 defined in Section 15-170 and considered to be a cooperative  
7 under Section 15-170, the maximum reduction from the equalized  
8 assessed value shall be limited to the increase in the value  
9 above the equalized assessed value of the property for 1977, up  
10 to the maximum reduction set forth above, multiplied by the  
11 number of apartments or units occupied by a person or persons  
12 who is liable, by contract with the owner or owners of record,  
13 for paying property taxes on the property and is an owner of  
14 record of a legal or equitable interest in the cooperative  
15 apartment building, other than a leasehold interest. For  
16 purposes of this Section, the term "life care facility" has the  
17 meaning stated in Section 15-170.

18 "Household", as used in this Section, means the owner, the  
19 spouse of the owner, and all persons using the residence of the  
20 owner as their principal place of residence.

21 "Household income", as used in this Section, means the  
22 combined income of the members of a household for the calendar  
23 year preceding the taxable year.

24 "Income", as used in this Section, has the same meaning as  
25 provided in Section 3.07 of the Senior Citizens and Persons  
26 with Disabilities Property Tax Relief Act, except that "income"

1 does not include veteran's benefits.

2 (g) In a cooperative where a homestead exemption has been  
3 granted, the cooperative association or its management firm  
4 shall credit the savings resulting from that exemption only to  
5 the apportioned tax liability of the owner who qualified for  
6 the exemption. Any person who willfully refuses to so credit  
7 the savings shall be guilty of a Class B misdemeanor.

8 (h) Where married persons maintain and reside in separate  
9 residences qualifying as homestead property, each residence  
10 shall receive 50% of the total reduction in equalized assessed  
11 valuation provided by this Section.

12 (i) In all counties, the assessor or chief county  
13 assessment officer may determine the eligibility of  
14 residential property to receive the homestead exemption and the  
15 amount of the exemption by application, visual inspection,  
16 questionnaire or other reasonable methods. The determination  
17 shall be made in accordance with guidelines established by the  
18 Department, provided that the taxpayer applying for an  
19 additional general exemption under this Section shall submit to  
20 the chief county assessment officer an application with an  
21 affidavit of the applicant's total household income, age,  
22 marital status (and, if married, the name and address of the  
23 applicant's spouse, if known), and principal dwelling place of  
24 members of the household on January 1 of the taxable year. The  
25 Department shall issue guidelines establishing a method for  
26 verifying the accuracy of the affidavits filed by applicants

1 under this paragraph. The applications shall be clearly marked  
2 as applications for the Additional General Homestead  
3 Exemption.

4 (i-5) This subsection (i-5) applies to counties with  
5 3,000,000 or more inhabitants. In the event of a sale of  
6 homestead property, the homestead exemption shall remain in  
7 effect for the remainder of the assessment year of the sale.  
8 Upon receipt of a transfer declaration transmitted by the  
9 recorder pursuant to Section 31-30 of the Real Estate Transfer  
10 Tax Law for property receiving an exemption under this Section,  
11 the assessor shall mail a notice and forms to the new owner of  
12 the property providing information pertaining to the rules and  
13 applicable filing periods for applying or reapplying for  
14 homestead exemptions under this Code for which the property may  
15 be eligible. If the new owner fails to apply or reapply for a  
16 homestead exemption during the applicable filing period or the  
17 property no longer qualifies for an existing homestead  
18 exemption, the assessor shall cancel such exemption for any  
19 ensuing assessment year.

20 (j) In counties with fewer than 3,000,000 inhabitants, in  
21 the event of a sale of homestead property the homestead  
22 exemption shall remain in effect for the remainder of the  
23 assessment year of the sale. The assessor or chief county  
24 assessment officer may require the new owner of the property to  
25 apply for the homestead exemption for the following assessment  
26 year.

1 (k) Notwithstanding Sections 6 and 8 of the State Mandates  
2 Act, no reimbursement by the State is required for the  
3 implementation of any mandate created by this Section.

4 (Source: P.A. 98-7, eff. 4-23-13; 98-463, eff. 8-16-13; 99-143,  
5 eff. 7-27-15; 99-164, eff. 7-28-15; 99-642, eff. 7-28-16;  
6 99-851, eff. 8-19-16.)

7 (35 ILCS 200/15-178 new)

8 Sec. 15-178. The statewide long-time occupant homestead  
9 exemption.

10 (a) For taxable years 2017 and thereafter, homestead  
11 property that is occupied as a principal residence by a  
12 long-time occupant is entitled to an annual homestead exemption  
13 equal to a reduction in the property's equalized assessed value  
14 calculated as provided in subsection (b) of this Section.

15 (b) The amount of the reduction shall be as follows:

16 (1) if the taxpayer has occupied the property as his or  
17 her principal residence for not fewer than 8 but not more  
18 than 11 years as of January 1 of the taxable year, then the  
19 amount of the reduction shall be 25% of the amount of the  
20 general homestead exemption under Section 15-175 for the  
21 taxable year;

22 (2) if the taxpayer has occupied the property as his or  
23 her principal residence for not fewer than 11 but not more  
24 than 16 years as of January 1 of the taxable year, then the  
25 amount of the reduction shall be 35% of the amount of the



1 general homestead exemption under Section 15-175 for the  
2 taxable year;

3 (3) if the taxpayer has occupied the property as his or  
4 her principal residence for not fewer than 16 but not more  
5 than 21 years as of January 1 of the taxable year, then the  
6 amount of the reduction shall be 45% of the amount of the  
7 general homestead exemption under Section 15-175 for the  
8 taxable year; and

9 (4) if the taxpayer has occupied the property as his or  
10 her principal residence for 21 years or more as of January  
11 1 of the taxable year, then the amount of the reduction  
12 shall be 60% of the amount of the general homestead  
13 exemption under Section 15-175 for the taxable year.

14 (c) In the case of an apartment building owned and operated  
15 as a cooperative or a life care facility that contains  
16 residential units that qualify as homestead property of a  
17 long-time occupant under this Section, the maximum cumulative  
18 exemption amount attributed to the entire building or facility  
19 shall not exceed the sum of the exemptions calculated for each  
20 unit that is homestead property of a long-time occupant. The  
21 cooperative association, management firm, or other person or  
22 entity that manages or controls the cooperative apartment  
23 building or life care facility shall credit the exemption  
24 attributable to each residential unit only to the apportioned  
25 tax liability of the long-time occupant of that unit. Any  
26 person who willfully refuses to so credit the exemption is

1 guilty of a Class B misdemeanor.

2 (d) To receive the exemption, a person must submit an  
3 application to the county assessor during the period specified  
4 by the county assessor.

5 Notwithstanding any other provision of law, no person who  
6 receives an exemption under this Section may receive an  
7 exemption under Section 15-177 (long-time occupant homestead  
8 exemption) for the same tax year.

9 (e) As used in this Section:

10 "Equalized assessed value" means the property's assessed  
11 value as equalized by the Department.

12 "Homestead" or "homestead property" means residential  
13 property that, as of January 1 of the tax year, is owned and  
14 occupied by a long-time occupant as his or her principal  
15 dwelling place, or that is a leasehold interest on which a  
16 single family residence is situated, that is occupied as a  
17 residence by a long-time occupant who has a legal or equitable  
18 interest therein evidenced by a written instrument, as an owner  
19 or as a lessee, and on which the long-time occupant is liable  
20 for the payment of property taxes. Residential units in an  
21 apartment building owned and operated as a cooperative, or as a  
22 life care facility, which are occupied by persons who hold a  
23 legal or equitable interest in the cooperative apartment  
24 building or life care facility as owners or lessees, and who  
25 are liable by contract for the payment of property taxes, are  
26 included within this definition of homestead property. A

1 homestead includes the dwelling place, appurtenant structures,  
2 and so much of the surrounding land constituting the parcel on  
3 which the dwelling place is situated as is used for residential  
4 purposes. If the assessor has established a specific legal  
5 description for a portion of property constituting the  
6 homestead, then the homestead is limited to the property within  
7 that description.

8 "Long-time occupant" means an individual who (i) for at  
9 least 8 continuous years as of January 1 of the taxable year,  
10 has occupied the same homestead property as a principal  
11 residence and domicile and (ii) has a household income of  
12 \$100,000 or less.

13 "Household income" has the meaning set forth under Section  
14 15-172 of this Code.

15 (f) Notwithstanding Sections 6 and 8 of the State Mandates  
16 Act, no reimbursement by the State is required for the  
17 implementation of any mandate created by this Section.

18 Section 10. The Senior Citizens Real Estate Tax Deferral  
19 Act is amended by changing Section 3 as follows:

20 (320 ILCS 30/3) (from Ch. 67 1/2, par. 453)

21 Sec. 3. A taxpayer may, on or before March 1 of each year,  
22 apply to the county collector of the county where his  
23 qualifying property is located, or to the official designated  
24 by a unit of local government to collect special assessments on

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

26 The collector shall grant the tax deferral provided such

1 deferral does not exceed funds available in the Senior Citizens  
2 Real Estate Deferred Tax Revolving Fund and provided that the  
3 owner or owners of such real property have entered into a tax  
4 deferral and recovery agreement with the collector on behalf of  
5 the county or other unit of local government, which agreement  
6 expressly states:

7 (1) That the total amount of taxes deferred under this Act,  
8 plus interest, for the year for which a tax deferral is claimed  
9 as well as for those previous years for which taxes are not  
10 delinquent and for which such deferral has been claimed may not  
11 exceed 80% of the taxpayer's equity interest in the property  
12 for which taxes are to be deferred and that, if the total  
13 deferred taxes plus interest equals 80% of the taxpayer's  
14 equity interest in the property, the taxpayer shall thereafter  
15 pay the annual interest due on such deferred taxes plus  
16 interest so that total deferred taxes plus interest will not  
17 exceed such 80% of the taxpayer's equity interest in the  
18 property. For ~~Effective as of~~ the January 1, 2011 assessment  
19 year or tax year 2012 through assessment year 2016 and  
20 ~~thereafter~~, the total amount of any such deferral shall not  
21 exceed \$5,000 per taxpayer in each tax year. For the 2017  
22 assessment year and thereafter, the total amount of any such  
23 deferral shall not exceed \$6,000 per taxpayer in each tax year.

24 (2) That any real estate taxes deferred under this Act and  
25 any interest accrued thereon at the rate of 6% per year are a  
26 lien on the real estate and improvements thereon until paid. No

1 sale or transfer of such real property may be legally closed  
2 and recorded until the taxes which would otherwise have been  
3 due on the property, plus accrued interest, have been paid  
4 unless the collector certifies in writing that an arrangement  
5 for prompt payment of the amount due has been made with his  
6 office. The same shall apply if the property is to be made the  
7 subject of a contract of sale.

8 (3) That upon the death of the taxpayer claiming the  
9 deferral the heirs-at-law, assignees or legatees shall have  
10 first priority to the real property upon which taxes have been  
11 deferred by paying in full the total taxes which would  
12 otherwise have been due, plus interest. However, if such  
13 heir-at-law, assignee, or legatee is a surviving spouse, the  
14 tax deferred status of the property shall be continued during  
15 the life of that surviving spouse if the spouse is 55 years of  
16 age or older within 6 months of the date of death of the  
17 taxpayer and enters into a tax deferral and recovery agreement  
18 before the time when deferred taxes become due under this  
19 Section. Any additional taxes deferred, plus interest, on the  
20 real property under a tax deferral and recovery agreement  
21 signed by a surviving spouse shall be added to the taxes and  
22 interest which would otherwise have been due, and the payment  
23 of which has been postponed during the life of such surviving  
24 spouse, in determining the 80% equity requirement provided by  
25 this Section.

26 (4) That if the taxes due, plus interest, are not paid by

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

8 If payment is not made when required by this Section,  
9 foreclosure proceedings may be instituted under the Property  
10 Tax Code.

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

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

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

22 If the taxes to be deferred are special assessments, the  
23 unit of local government making the assessments shall forward a  
24 copy of the agreement entered into pursuant to this Section and  
25 the bills for such assessments to the county collector of the  
26 county in which the qualifying property is located.

1 (Source: P.A. 97-481, eff. 8-22-11.)

2 Section 99. Effective date. This Act takes effect upon  
3 becoming law.