



Rep. Michelle Mussman

**Filed: 4/3/2017**

10000HB0156ham001

LRB100 03826 HLH 24801 a

1 AMENDMENT TO HOUSE BILL 156

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 156 by replacing  
3 everything after the enacting clause with the following:

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

1 Section. However, if the taxpayer receives erroneous homestead  
2 exemptions under multiple Sections of this Code for the same  
3 property, or if the taxpayer receives erroneous homestead  
4 exemptions under the same Section of this Code for multiple  
5 properties, then each of those exemptions is considered a  
6 separate erroneous homestead exemption for purposes of this  
7 Section.

8 "Homestead exemption" means an exemption under Section  
9 15-165 (veterans with disabilities), 15-167 (returning  
10 veterans), 15-168 (persons with disabilities), 15-169  
11 (standard homestead for veterans with disabilities and  
12 veterans 75 years of age or older), 15-170 (senior citizens),  
13 15-172 (senior citizens assessment freeze), 15-175 (general  
14 homestead), 15-176 (alternative general homestead), or 15-177  
15 (long-time occupant).

16 "Erroneous exemption principal amount" means the total  
17 difference between the property taxes actually billed to a  
18 property index number and the amount of property taxes that  
19 would have been billed but for the erroneous exemption or  
20 exemptions.

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

23 (b) Notwithstanding any other provision of law, in counties  
24 with 3,000,000 or more inhabitants, the chief county assessment  
25 officer shall include the following information with each  
26 assessment notice sent in a general assessment year: (1) a list

1 of each homestead exemption available under Article 15 of this  
2 Code and a description of the eligibility criteria for that  
3 exemption; (2) a list of each homestead exemption applied to  
4 the property in the current assessment year; (3) information  
5 regarding penalties and interest that may be incurred under  
6 this Section if the taxpayer received an erroneous homestead  
7 exemption in a previous taxable year; and (4) notice of the  
8 60-day grace period available under this subsection. If, within  
9 60 days after receiving his or her assessment notice, the  
10 taxpayer notifies the chief county assessment officer that he  
11 or she received an erroneous homestead exemption in a previous  
12 taxable year, and if the taxpayer pays the erroneous exemption  
13 principal amount, plus interest as provided in subsection (f),  
14 then the taxpayer shall not be liable for the penalties  
15 provided in subsection (f) with respect to that exemption.

16 (c) In counties with 3,000,000 or more inhabitants, when  
17 the chief county assessment officer determines that one or more  
18 erroneous homestead exemptions was applied to the property, the  
19 erroneous exemption principal amount, together with all  
20 applicable interest and penalties as provided in subsections  
21 (f) and (j), shall constitute a lien in the name of the People  
22 of Cook County on the property receiving the erroneous  
23 homestead exemption. Upon becoming aware of the existence of  
24 one or more erroneous homestead exemptions, the chief county  
25 assessment officer shall cause to be served, by both regular  
26 mail and certified mail, a notice of discovery as set forth in

1 subsection (c-5). The chief county assessment officer in a  
2 county with 3,000,000 or more inhabitants may cause a lien to  
3 be recorded against property that (1) is located in the county  
4 and (2) received one or more erroneous homestead exemptions if,  
5 upon determination of the chief county assessment officer, the  
6 taxpayer received: (A) one or 2 erroneous homestead exemptions  
7 for real property, including at least one erroneous homestead  
8 exemption granted for the property against which the lien is  
9 sought, during any of the 3 collection years immediately prior  
10 to the current collection year in which the notice of discovery  
11 is served; or (B) 3 or more erroneous homestead exemptions for  
12 real property, including at least one erroneous homestead  
13 exemption granted for the property against which the lien is  
14 sought, during any of the 6 collection years immediately prior  
15 to the current collection year in which the notice of discovery  
16 is served. Prior to recording the lien against the property,  
17 the chief county assessment officer shall cause to be served,  
18 by both regular mail and certified mail, return receipt  
19 requested, on the person to whom the most recent tax bill was  
20 mailed and the owner of record, a notice of intent to record a  
21 lien against the property. The chief county assessment officer  
22 shall cause the notice of intent to record a lien to be served  
23 within 3 years from the date on which the notice of discovery  
24 was served.

25 (c-5) The notice of discovery described in subsection (c)  
26 shall: (1) identify, by property index number, the property for

1 which the chief county assessment officer has knowledge  
2 indicating the existence of an erroneous homestead exemption;  
3 (2) set forth the taxpayer's liability for principal, interest,  
4 penalties, and administrative costs including, but not limited  
5 to, recording fees described in subsection (f); (3) inform the  
6 taxpayer that he or she will be served with a notice of intent  
7 to record a lien within 3 years from the date of service of the  
8 notice of discovery; (4) inform the taxpayer that he or she may  
9 pay the outstanding amount, plus interest, penalties, and  
10 administrative costs at any time prior to being served with the  
11 notice of intent to record a lien or within 30 days after the  
12 notice of intent to record a lien is served; and (5) inform the  
13 taxpayer that, if the taxpayer provided notice to the chief  
14 county assessment officer as provided in subsection (d-1) of  
15 Section 15-175 of this Code, upon submission by the taxpayer of  
16 evidence of timely notice and receipt thereof by the chief  
17 county assessment officer, the chief county assessment officer  
18 will withdraw the notice of discovery and reissue a notice of  
19 discovery in compliance with this Section in which the taxpayer  
20 is not liable for interest and penalties for the current tax  
21 year in which the notice was received.

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

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

25 "Current tax year" means the year prior to the collection  
26 year.

1           (d) The notice of intent to record a lien described in  
2 subsection (c) shall: (1) identify, by property index number,  
3 the property against which the lien is being sought; (2)  
4 identify each specific homestead exemption that was  
5 erroneously granted and the year or years in which each  
6 exemption was granted; (3) set forth the erroneous exemption  
7 principal amount due and the interest amount and any penalty  
8 and administrative costs due; (4) inform the taxpayer that he  
9 or she may request a hearing within 30 days after service and  
10 may appeal the hearing officer's ruling to the circuit court;  
11 (5) inform the taxpayer that he or she may pay the erroneous  
12 exemption principal amount, plus interest and penalties,  
13 within 30 days after service; and (6) inform the taxpayer that,  
14 if the lien is recorded against the property, the amount of the  
15 lien will be adjusted to include the applicable recording fee  
16 and that fees for recording a release of the lien shall be  
17 incurred by the taxpayer. A lien shall not be filed pursuant to  
18 this Section if the taxpayer pays the erroneous exemption  
19 principal amount, plus penalties and interest, within 30 days  
20 of service of the notice of intent to record a lien.

21           (e) The notice of intent to record a lien shall also  
22 include a form that the taxpayer may return to the chief county  
23 assessment officer to request a hearing. The taxpayer may  
24 request a hearing by returning the form within 30 days after  
25 service. The hearing shall be held within 90 days after the  
26 taxpayer is served. The chief county assessment officer shall

1 promulgate rules of service and procedure for the hearing. The  
2 chief county assessment officer must generally follow rules of  
3 evidence and practices that prevail in the county circuit  
4 courts, but, because of the nature of these proceedings, the  
5 chief county assessment officer is not bound by those rules in  
6 all particulars. The chief county assessment officer shall  
7 appoint a hearing officer to oversee the hearing. The taxpayer  
8 shall be allowed to present evidence to the hearing officer at  
9 the hearing. After taking into consideration all the relevant  
10 testimony and evidence, the hearing officer shall make an  
11 administrative decision on whether the taxpayer was  
12 erroneously granted a homestead exemption for the taxable year  
13 in question. The taxpayer may appeal the hearing officer's  
14 ruling to the circuit court of the county where the property is  
15 located as a final administrative decision under the  
16 Administrative Review Law.

17 (f) A lien against the property imposed under this Section  
18 shall be filed with the county recorder of deeds, but may not  
19 be filed sooner than 60 days after the notice of intent to  
20 record a lien was delivered to the taxpayer if the taxpayer  
21 does not request a hearing, or until the conclusion of the  
22 hearing and all appeals if the taxpayer does request a hearing.  
23 If a lien is filed pursuant to this Section and the taxpayer  
24 received one or 2 erroneous homestead exemptions during any of  
25 the 3 collection years immediately prior to the current  
26 collection year in which the notice of discovery is served,

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

24 (g) If a person received an erroneous homestead exemption  
25 under Section 15-170 and: (1) the person was the spouse, child,  
26 grandchild, brother, sister, niece, or nephew of the previous



1 taxpayer; and (2) the person received the property by bequest  
2 or inheritance; then the person is not liable for the penalties  
3 imposed under this Section for any year or years during which  
4 the chief county assessment officer did not require an annual  
5 application for the exemption. However, that person is  
6 responsible for any interest owed under subsection (f).

7 (h) If the erroneous homestead exemption was granted as a  
8 result of a clerical error or omission on the part of the chief  
9 county assessment officer, and if the taxpayer has paid the tax  
10 bills as received for the year in which the error occurred,  
11 then the interest and penalties authorized by this Section with  
12 respect to that homestead exemption shall not be chargeable to  
13 the taxpayer. However, nothing in this Section shall prevent  
14 the collection of the erroneous exemption principal amount due  
15 and owing.

16 (i) A lien under this Section is not valid as to (1) any  
17 bona fide purchaser for value without notice of the erroneous  
18 homestead exemption whose rights in and to the underlying  
19 parcel arose after the erroneous homestead exemption was  
20 granted but before the filing of the notice of lien; or (2) any  
21 mortgagee, judgment creditor, or other lienor whose rights in  
22 and to the underlying parcel arose before the filing of the  
23 notice of lien. A title insurance policy for the property that  
24 is issued by a title company licensed to do business in the  
25 State showing that the property is free and clear of any liens  
26 imposed under this Section shall be prima facie evidence that

1 the taxpayer is without notice of the erroneous homestead  
2 exemption. Nothing in this Section shall be deemed to impair  
3 the rights of subsequent creditors and subsequent purchasers  
4 under Section 30 of the Conveyances Act.

5 (j) When a lien is filed against the property pursuant to  
6 this Section, the chief county assessment officer shall mail a  
7 copy of the lien to the person to whom the most recent tax bill  
8 was mailed and to the owner of record, and the outstanding  
9 liability created by such a lien is due and payable within 30  
10 days after the mailing of the lien by the chief county  
11 assessment officer. This liability is deemed delinquent and  
12 shall bear interest beginning on the day after the due date at  
13 a rate of 1.5% per month or portion thereof. Payment shall be  
14 made to the county treasurer. Upon receipt of the full amount  
15 due, as determined by the chief county assessment officer, the  
16 county treasurer shall distribute the amount paid as provided  
17 in subsection (k). Upon presentment by the taxpayer to the  
18 chief county assessment officer of proof of payment of the  
19 total liability, the chief county assessment officer shall  
20 provide in reasonable form a release of the lien. The release  
21 of the lien provided shall clearly inform the taxpayer that it  
22 is the responsibility of the taxpayer to record the lien  
23 release form with the county recorder of deeds and to pay any  
24 applicable recording fees.

25 (k) The county treasurer shall pay collected erroneous  
26 exemption principal amounts, pro rata, to the taxing districts,

1 or their legal successors, that levied upon the subject  
2 property in the taxable year or years for which the erroneous  
3 homestead exemptions were granted, except as set forth in this  
4 Section. The county treasurer shall deposit collected  
5 penalties and interest into a special fund established by the  
6 county treasurer to offset the costs of administration of the  
7 provisions of this Section by the chief county assessment  
8 officer's office, as appropriated by the county board. If the  
9 costs of administration of this Section exceed the amount of  
10 interest and penalties collected in the special fund, the chief  
11 county assessor shall be reimbursed by each taxing district or  
12 their legal successors for those costs. Such costs shall be  
13 paid out of the funds collected by the county treasurer on  
14 behalf of each taxing district pursuant to this Section.

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

1 during the amnesty period established under this Section shall  
2 invalidate the amnesty period for that taxpayer.

3 The chief county assessment officer in a county with  
4 3,000,000 or more inhabitants shall (i) mail notice of the  
5 amnesty period with the tax bills for the second installment of  
6 taxes for the 2012 assessment year and (ii) as soon as possible  
7 after the effective date of this amendatory Act of the 98th  
8 General Assembly, publish notice of the amnesty period in a  
9 newspaper of general circulation in the county. Notices shall  
10 include information on the amnesty period, its purpose, and the  
11 method by which to make payment.

12 Taxpayers who are a party to any criminal investigation or  
13 to any civil or criminal litigation that is pending in any  
14 circuit court or appellate court, or in the Supreme Court of  
15 this State, for nonpayment, delinquency, or fraud in relation  
16 to any property tax imposed by any taxing district located in  
17 the State on the effective date of this amendatory Act of the  
18 98th General Assembly may not take advantage of the amnesty  
19 period.

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

23 (Source: P.A. 98-93, eff. 7-16-13; 98-756, eff. 7-16-14;  
24 98-811, eff. 1-1-15; 98-1143, eff. 1-1-15; 99-143, eff.  
25 7-27-15; 99-851, eff. 8-19-16.)

1 (35 ILCS 200/15-169)

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

4 (a) Beginning with taxable year 2007, an annual homestead  
5 exemption, limited to the amounts set forth in subsections (b),  
6 ~~and~~ (b-3), and (b-4) is granted for property that is used as a  
7 qualified residence by a veteran with a disability or,  
8 beginning in taxable year 2017, a veteran who is 75 years of  
9 age or older.

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

12 (1) for veterans with a service-connected disability  
13 of at least (i) 75% for exemptions granted in taxable years  
14 2007 through 2009 and (ii) 70% for exemptions granted in  
15 taxable year 2010 and each taxable year thereafter, as  
16 certified by the United States Department of Veterans  
17 Affairs, the annual exemption is \$5,000; and

18 (2) for veterans with a service-connected disability  
19 of at least 50%, but less than (i) 75% for exemptions  
20 granted in taxable years 2007 through 2009 and (ii) 70% for  
21 exemptions granted in taxable year 2010 and each taxable  
22 year thereafter, as certified by the United States  
23 Department of Veterans Affairs, the annual exemption is  
24 \$2,500.

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

26 (1) if the veteran has a service connected disability

1 of 30% or more but less than 50%, as certified by the  
2 United States Department of Veterans Affairs, then the  
3 annual exemption is \$2,500;

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

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

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

13 (1) if the veteran has a service connected disability  
14 of 20% or more but less than 50%, as certified by the  
15 United States Department of Veterans Affairs or the United  
16 States Department of Defense, then the annual exemption is  
17 \$2,500;

18 (2) if the veteran has a service connected disability  
19 of 50% or more but less than 70%, as certified by the  
20 United States Department of Veterans Affairs or the United  
21 States Department of Defense, then the annual exemption is  
22 \$5,000;

23 (3) if the veteran has a service connected disability  
24 of 70% or more, as certified by the United States  
25 Department of Veterans Affairs or the United States  
26 Department of Defense, then the property is exempt from

1       taxation under this Code; and

2           (4) if the veteran does not qualify under paragraphs  
3       (1) through (3) of this subsection (b-4), but the veteran  
4       is 75 years of age or older during the taxable year, then  
5       \$2,500.

6       (b-5) If a homestead exemption is granted under this  
7       Section and the person awarded the exemption subsequently  
8       becomes a resident of a facility licensed under the Nursing  
9       Home Care Act or a facility operated by the United States  
10      Department of Veterans Affairs, then the exemption shall  
11      continue (i) so long as the residence continues to be occupied  
12      by the qualifying person's spouse or (ii) if the residence  
13      remains unoccupied but is still owned by the person who  
14      qualified for the homestead exemption.

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

24      As used in this subsection (c):

25           (1) for taxable years prior to 2015, "surviving spouse"  
26      means the surviving spouse of a veteran who obtained an

1 exemption under this Section prior to his or her death;

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

7 (3) for taxable year 2017 and thereafter, "surviving  
8 spouse" means (i) the surviving spouse of a veteran who  
9 qualified for the exemption under this Section prior to his  
10 or her death, (ii) the surviving spouse of a veteran who  
11 was killed in the line of duty, and (iii) the surviving  
12 spouse of a veteran who did not obtain an exemption under  
13 this Section before death, but who applied for a  
14 service-connected disability certification from the United  
15 States Department of Veterans Affairs or the United States  
16 Department of Defense no earlier than January 1, 2007 and  
17 would have qualified for the exemption under this Section  
18 in the current taxable year if he or she had survived.

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

23 (d) The exemption under this Section applies for taxable  
24 year 2007 and thereafter. A taxpayer who claims an exemption  
25 under Section 15-165 or 15-168 may not claim an exemption under  
26 this Section.



1 (e) Each taxpayer who has been granted an exemption under  
2 this Section must reapply on an annual basis. Application must  
3 be made during the application period in effect for the county  
4 of his or her residence. The assessor or chief county  
5 assessment officer may determine the eligibility of  
6 residential property to receive the homestead exemption  
7 provided by this Section by application, visual inspection,  
8 questionnaire, or other reasonable methods. The determination  
9 must be made in accordance with guidelines established by the  
10 Department.

11 (f) For the purposes of this Section:

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

19 "Veteran" means an Illinois resident who has served as a  
20 member of the United States Armed Forces on active duty or  
21 State active duty, a member of the Illinois National Guard, or  
22 a member of the United States Reserve Forces and who has  
23 received an honorable discharge.

24 (Source: P.A. 98-1145, eff. 12-30-14; 99-143, eff. 7-27-15;  
25 99-375, eff. 8-17-15; 99-642, eff. 7-28-16.)

1 (35 ILCS 200/15-170)

2 Sec. 15-170. Senior Citizens Homestead Exemption. An  
3 annual homestead exemption limited, except as described here  
4 with relation to cooperatives or life care facilities, to a  
5 maximum reduction set forth below from the property's value, as  
6 equalized or assessed by the Department, is granted for  
7 property that is occupied as a residence by a person 65 years  
8 of age or older who is liable for paying real estate taxes on  
9 the property and is an owner of record of the property or has a  
10 legal or equitable interest therein as evidenced by a written  
11 instrument, except for a leasehold interest, other than a  
12 leasehold interest of land on which a single family residence  
13 is located, which is occupied as a residence by a person 65  
14 years or older who has an ownership interest therein, legal,  
15 equitable or as a lessee, and on which he or she is liable for  
16 the payment of property taxes. Before taxable year 2004, the  
17 maximum reduction shall be \$2,500 in counties with 3,000,000 or  
18 more inhabitants and \$2,000 in all other counties. For taxable  
19 years 2004 through 2005, the maximum reduction shall be \$3,000  
20 in all counties. For taxable years 2006 and 2007, the maximum  
21 reduction shall be \$3,500. For taxable years 2008 through 2011,  
22 the maximum reduction is \$4,000 in all counties. For taxable  
23 year 2012, the maximum reduction is \$5,000 in counties with  
24 3,000,000 or more inhabitants and \$4,000 in all other counties.  
25 For taxable years 2013 through 2016 ~~and thereafter~~, the maximum  
26 reduction is \$5,000 in all counties. For taxable years 2017 and

1 thereafter, the maximum reduction is \$6,000 in all counties.

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

1 Act, with which the applicant for the homestead exemption has a  
2 life care contract as defined in that Act.

3 When a homestead exemption has been granted under this  
4 Section and the person qualifying subsequently becomes a  
5 resident of a facility licensed under the Assisted Living and  
6 Shared Housing Act, the Nursing Home Care Act, the Specialized  
7 Mental Health Rehabilitation Act of 2013, the ID/DD Community  
8 Care Act, or the MC/DD Act, the exemption shall continue so  
9 long as the residence continues to be occupied by the  
10 qualifying person's spouse if the spouse is 65 years of age or  
11 older, or if the residence remains unoccupied but is still  
12 owned by the person qualified for the homestead exemption.

13 A person who will be 65 years of age during the current  
14 assessment year shall be eligible to apply for the homestead  
15 exemption during that assessment year. Application shall be  
16 made during the application period in effect for the county of  
17 his residence.

18 Beginning with assessment year 2003, for taxes payable in  
19 2004, property that is first occupied as a residence after  
20 January 1 of any assessment year by a person who is eligible  
21 for the senior citizens homestead exemption under this Section  
22 must be granted a pro-rata exemption for the assessment year.  
23 The amount of the pro-rata exemption is the exemption allowed  
24 in the county under this Section divided by 365 and multiplied  
25 by the number of days during the assessment year the property  
26 is occupied as a residence by a person eligible for the

1 exemption under this Section. The chief county assessment  
2 officer must adopt reasonable procedures to establish  
3 eligibility for this pro-rata exemption.

4 The assessor or chief county assessment officer may  
5 determine the eligibility of a life care facility to receive  
6 the benefits provided by this Section, by affidavit,  
7 application, visual inspection, questionnaire or other  
8 reasonable methods in order to insure that the tax savings  
9 resulting from the exemption are credited by the management  
10 firm to the apportioned tax liability of each qualifying  
11 resident. The assessor may request reasonable proof that the  
12 management firm has so credited the exemption.

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

1 such an executed designation requires the county collector to  
2 provide duplicate notices as indicated by the designation. A  
3 designation may be rescinded by the person who executed such  
4 designation at any time, in the manner and form required by the  
5 chief county assessment officer.

6 The assessor or chief county assessment officer may  
7 determine the eligibility of residential property to receive  
8 the homestead exemption provided by this Section by  
9 application, visual inspection, questionnaire or other  
10 reasonable methods. The determination shall be made in  
11 accordance with guidelines established by the Department.

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

21 In counties with less than 3,000,000 inhabitants, if the  
22 assessor or chief county assessment officer requires annual  
23 application for verification of eligibility for an exemption  
24 once granted under this Section, the application shall be  
25 mailed to the taxpayer.

26 The assessor or chief county assessment officer shall

1 notify each person who qualifies for an exemption under this  
2 Section that the person may also qualify for deferral of real  
3 estate taxes under the Senior Citizens Real Estate Tax Deferral  
4 Act. The notice shall set forth the qualifications needed for  
5 deferral of real estate taxes, the address and telephone number  
6 of county collector, and a statement that applications for  
7 deferral of real estate taxes may be obtained from the county  
8 collector.

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

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

14 (35 ILCS 200/15-172.5 new)

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

17 (a) This Section may be cited as the Assessment Freeze  
18 Homestead Exemption for persons receiving Supplemental  
19 Security Income.

20 (b) As used in this Section:

21 "Applicant" means an individual who has filed an  
22 application under this Section.

23 "Base amount" means the base year equalized assessed value  
24 of the residence plus the first year's equalized assessed value  
25 of any added improvements which increased the assessed value of

1 the residence after the base year.

2 "Base year" means the taxable year prior to the taxable  
3 year for which the applicant first qualifies and applies for  
4 the exemption, provided that, in the prior taxable year, the  
5 property was improved with a permanent structure that was  
6 occupied as a residence by the applicant who was liable for  
7 paying real property taxes on the property and who was either  
8 (i) an owner of record of the property or had legal or  
9 equitable interest in the property as evidenced by a written  
10 instrument or (ii) had a legal or equitable interest as a  
11 lessee in the parcel of property that was single family  
12 residence.

13 "Chief County Assessment Officer" means the County  
14 Assessor or Supervisor of Assessments of the county in which  
15 the property is located.

16 "Equalized assessed value" means the assessed value of the  
17 property as equalized by the Department of Revenue.

18 "Household" means the applicant, the spouse of the  
19 applicant, and all persons using the residence of the applicant  
20 as their principal place of residence.

21 "Household income" means the combined income of the members  
22 of a household for the calendar year preceding the taxable  
23 year.

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



1       "Internal Revenue Code of 1986" means the United States  
2 Internal Revenue Code of 1986 or any successor law or laws  
3 relating to federal income taxes in effect for the year  
4 preceding the taxable year.

5       "Life care facility that qualifies as a cooperative" means  
6 a facility as defined in Section 2 of the Life Care Facilities  
7 Act.

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

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

19       "Taxable year" means the calendar year during which ad  
20 valorem property taxes payable in the next succeeding year are  
21 levied.

22       (c) Beginning in taxable year 2017, an assessment freeze  
23 homestead exemption is granted for real property that is  
24 improved with a permanent structure that is occupied as a  
25 residence by an applicant who (i) receives federal Supplemental  
26 Security Income during the taxable year, (ii) has a household

1 income that does not exceed the maximum income limitation,  
2 (iii) is liable for paying real property taxes on the property,  
3 and (iv) is an owner of record of the property or has a legal or  
4 equitable interest in the property as evidenced by a written  
5 instrument. This homestead exemption shall also apply to a  
6 leasehold interest in a parcel of property improved with a  
7 permanent structure that is a single family residence that is  
8 occupied as a residence by a person who (i) receives federal  
9 Supplemental Security Income during the taxable year, (ii) has  
10 a household income that does not exceed the maximum income  
11 limitation, (iii) has a legal or equitable ownership interest  
12 in the property as lessee, and (iv) is liable for the payment  
13 of real property taxes on that property.

14 The amount of the exemption is the equalized assessed value  
15 of the residence in the taxable year for which application is  
16 made minus the base amount.

17 When the applicant is a surviving spouse of an applicant  
18 for a prior year for the same residence for which an exemption  
19 under this Section has been granted, the base year and base  
20 amount for that residence are the same as for the applicant for  
21 the prior year.

22 Each year at the time the assessment books are certified to  
23 the County Clerk, the Board of Review or Board of Appeals shall  
24 give to the County Clerk a list of the assessed values of  
25 improvements on each parcel qualifying for this exemption that  
26 were added after the base year for this parcel and that

1 increased the assessed value of the property.

2 In the case of land improved with an apartment building  
3 owned and operated as a cooperative or a building that is a  
4 life care facility that qualifies as a cooperative, the maximum  
5 reduction from the equalized assessed value of the property is  
6 limited to the sum of the reductions calculated for each unit  
7 occupied as a residence by a person or persons (i) who receive  
8 federal Supplemental Security Income during the taxable year,  
9 (ii) with a household income that does not exceed the maximum  
10 income limitation, (iii) who are liable, by contract with the  
11 owner or owners of record, for paying real property taxes on  
12 the property, and (iv) who is an owner of record of a legal or  
13 equitable interest in the cooperative apartment building,  
14 other than a leasehold interest. In the instance of a  
15 cooperative where a homestead exemption has been granted under  
16 this Section, the cooperative association or its management  
17 firm shall credit the savings resulting from that exemption  
18 only to the apportioned tax liability of the owner who  
19 qualified for the exemption. Any person who willfully refuses  
20 to credit that savings to an owner who qualifies for the  
21 exemption is guilty of a Class B misdemeanor.

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

1 the MC/DD Act, the exemption shall be granted in subsequent  
2 years so long as the residence (i) continues to be occupied by  
3 the qualified applicant's spouse or (ii) if remaining  
4 unoccupied, is still owned by the qualified applicant for the  
5 homestead exemption.

6 When an individual dies who would have qualified for an  
7 exemption under this Section, and the surviving spouse does not  
8 independently qualify for this exemption because he or she does  
9 not receive Supplemental Security Income, the exemption under  
10 this Section shall be granted to the surviving spouse for the  
11 taxable year preceding and the taxable year of the death,  
12 provided that the surviving spouse meets all other  
13 qualifications for the granting of this exemption for those  
14 years.

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

18 In counties having 3,000,000 or more inhabitants, to  
19 receive the exemption, a person may submit an application to  
20 the chief county assessment officer of the county in which the  
21 property is located during such period as may be specified by  
22 the chief county assessment officer. The chief county  
23 assessment officer in counties of 3,000,000 or more inhabitants  
24 shall annually give notice of the application period by mail or  
25 by publication. In counties having less than 3,000,000  
26 inhabitants, to receive the exemption, a person shall submit an

1 application by July 1 of each taxable year to the chief county  
2 assessment officer of the county in which the property is  
3 located. A county having less than 3,000,000 inhabitants may,  
4 by ordinance, establish a date for submission of applications  
5 that is different than July 1. The applicant shall submit with  
6 the application an affidavit verifying the applicant's  
7 qualifications for the exemption under this Section. The  
8 Department shall establish, by rule, a method for verifying the  
9 accuracy of such affidavits, and the chief county assessment  
10 officer may conduct audits of any taxpayer claiming an  
11 exemption under this Section to verify that the taxpayer is  
12 eligible to receive the exemption. Each application shall  
13 contain or be verified by a written declaration that it is made  
14 under the penalties of perjury. A taxpayer's signing a  
15 fraudulent application under this Act is perjury, as defined in  
16 Section 32-2 of the Criminal Code of 2012. The applications  
17 shall be clearly marked as applications for the Assessment  
18 Freeze Homestead Exemption for Persons Receiving Supplemental  
19 Security Income and must contain a notice that any taxpayer who  
20 receives the exemption is subject to an audit by the chief  
21 county assessment officer.

22 If an applicant fails to file the application required by  
23 this Section in a timely manner and this failure to file is due  
24 to a mental or physical condition sufficiently severe so as to  
25 render the applicant incapable of filing the application in a  
26 timely manner, the chief county assessment officer may extend

1 the filing deadline for a period of 30 days after the applicant  
2 regains the capability to file the application, but in no case  
3 may the filing deadline be extended beyond 3 months of the  
4 original filing deadline. In order to receive the extension  
5 provided in this paragraph, the applicant shall provide the  
6 chief county assessment officer with a signed statement from  
7 the applicant's physician, advanced practice nurse, or  
8 physician assistant stating the nature and extent of the  
9 condition, that, in the physician's, advanced practice  
10 nurse's, or physician assistant's opinion, the condition was so  
11 severe that it rendered the applicant incapable of filing the  
12 application in a timely manner, and the date on which the  
13 applicant regained the capability to file the application.

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

24 Except as provided in this Section, all information  
25 received by the chief county assessment officer or the  
26 Department from applications filed under this Section, or from

1 any investigation conducted under the provisions of this  
2 Section, shall be confidential, except for official purposes or  
3 pursuant to official procedures for collection of any State or  
4 local tax or enforcement of any civil or criminal penalty or  
5 sanction imposed by this Act or by any statute or ordinance  
6 imposing a State or local tax. Any person who divulges any such  
7 information in any manner, except in accordance with a proper  
8 judicial order, is guilty of a Class A misdemeanor.

9 Nothing contained in this Section shall prevent the  
10 Director or chief county assessment officer from publishing or  
11 making available reasonable statistics concerning the  
12 operation of the exemption contained in this Section in which  
13 the contents of claims are grouped into aggregates in such a  
14 way that information contained in any individual claim shall  
15 not be disclosed.

16 (d) Each Chief County Assessment Officer shall annually  
17 publish a notice of availability of the exemption provided  
18 under this Section. The notice shall be published at least 60  
19 days but no more than 75 days prior to the date on which the  
20 application must be submitted to the Chief County Assessment  
21 Officer of the county in which the property is located. The  
22 notice shall appear in a newspaper of general circulation in  
23 the county.

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

1 (35 ILCS 200/15-175)

2 Sec. 15-175. General homestead exemption.

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

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



1 with 3,000,000 or more inhabitants and \$6,000 in all other  
2 counties. For taxable years 2017 and thereafter, the maximum  
3 reduction is \$8,000 in all counties. If a county has elected to  
4 subject itself to the provisions of Section 15-176 as provided  
5 in subsection (k) of that Section, then, for the first taxable  
6 year only after the provisions of Section 15-176 no longer  
7 apply, for owners who, for the taxable year, have not been  
8 granted a senior citizens assessment freeze homestead  
9 exemption under Section 15-172 or a long-time occupant  
10 homestead exemption under Section 15-177, there shall be an  
11 additional exemption of \$5,000 for owners with a household  
12 income of \$30,000 or less.

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

21 (d) If in any assessment year beginning with the 2000  
22 assessment year, homestead property has a pro-rata valuation  
23 under Section 9-180 resulting in an increase in the assessed  
24 valuation, a reduction in equalized assessed valuation equal to  
25 the increase in equalized assessed value of the property for  
26 the year of the pro-rata valuation above the equalized assessed

1 value of the property for 1977 shall be applied to the property  
2 on a proportionate basis for the period the property qualified  
3 as homestead property during the assessment year. The maximum  
4 proportionate homestead exemption shall not exceed the maximum  
5 homestead exemption allowed in the county under this Section  
6 divided by 365 and multiplied by the number of days the  
7 property qualified as homestead property.

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

1 on the part of the chief county assessment officer as described  
2 in subsection (h) of Section 9-275, and the property owner  
3 shall not be liable for the payment of interest and penalties  
4 due to the erroneous exemption for the current tax year for  
5 which the notice was filed after the date that notice was  
6 timely received pursuant to this subsection. Notice provided  
7 under this subsection shall not constitute a defense or amnesty  
8 for prior year erroneous exemptions.

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

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

12 "Current tax year" means the year prior to the collection  
13 year.

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

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

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

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

1           (4) that the lease must include the following language  
2 in substantially the following form:

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

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

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

25           (f) "Homestead property" under this Section includes  
26 residential property that is occupied by its owner or owners as

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

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

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

26 "Income", as used in this Section, has the same meaning as

1 provided in Section 3.07 of the Senior Citizens and Persons  
2 with Disabilities Property Tax Relief Act, except that "income"  
3 does not include veteran's benefits.

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

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

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

1 Department shall issue guidelines establishing a method for  
2 verifying the accuracy of the affidavits filed by applicants  
3 under this paragraph. The applications shall be clearly marked  
4 as applications for the Additional General Homestead  
5 Exemption.

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

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

1 apply for the homestead exemption for the following assessment  
2 year.

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

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

9 (35 ILCS 200/15-178 new)

10 Sec. 15-178. The statewide long-time occupant homestead  
11 exemption.

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

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

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

24 (2) if the taxpayer has occupied the property as his or  
25 her principal residence for not fewer than 11 but not more



1 than 16 years as of January 1 of the taxable year, then the  
2 amount of the reduction shall be 35% of the amount of the  
3 general homestead exemption under Section 15-175 for the  
4 taxable year;

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

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

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

1 tax liability of the long-time occupant of that unit. Any  
2 person who willfully refuses to so credit the exemption is  
3 guilty of a Class B misdemeanor.

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

7 (e) As used in this Section:

8 "Equalized assessed value" means the property's assessed  
9 value as equalized by the Department.

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

1 which the dwelling place is situated as is used for residential  
2 purposes. If the assessor has established a specific legal  
3 description for a portion of property constituting the  
4 homestead, then the homestead is limited to the property within  
5 that description.

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

11 "Household income" has the meaning set forth under Section  
12 15-172 of this Code.

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

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

18 (320 ILCS 30/3) (from Ch. 67 1/2, par. 453)

19 Sec. 3. A taxpayer may, on or before March 1 of each year,  
20 apply to the county collector of the county where his  
21 qualifying property is located, or to the official designated  
22 by a unit of local government to collect special assessments on  
23 the qualifying property, as the case may be, for a deferral of  
24 all or a part of real estate taxes payable during that year for

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

24 The collector shall grant the tax deferral provided such  
25 deferral does not exceed funds available in the Senior Citizens  
26 Real Estate Deferred Tax Revolving Fund and provided that the

1 owner or owners of such real property have entered into a tax  
2 deferral and recovery agreement with the collector on behalf of  
3 the county or other unit of local government, which agreement  
4 expressly states:

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

22 (2) That any real estate taxes deferred under this Act and  
23 any interest accrued thereon at the rate of 6% per year are a  
24 lien on the real estate and improvements thereon until paid. No  
25 sale or transfer of such real property may be legally closed  
26 and recorded until the taxes which would otherwise have been

1 due on the property, plus accrued interest, have been paid  
2 unless the collector certifies in writing that an arrangement  
3 for prompt payment of the amount due has been made with his  
4 office. The same shall apply if the property is to be made the  
5 subject of a contract of sale.

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

24 (4) That if the taxes due, plus interest, are not paid by  
25 the heir-at-law, assignee or legatee or if payment is not  
26 postponed during the life of a surviving spouse, the deferred

1 taxes and interest shall be recovered from the estate of the  
2 taxpayer within one year of the date of his death. In addition,  
3 deferred real estate taxes and any interest accrued thereon are  
4 due within 90 days after any tax deferred property ceases to be  
5 qualifying property as defined in Section 2.

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

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

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

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

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

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

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