



Sen. Terry Link

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LRB100 11175 HLH 23213 a

1 AMENDMENT TO SENATE BILL 1598

2 AMENDMENT NO. _____. Amend Senate Bill 1598 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Property Tax Code is amended by changing
5 Sections 10-365, 10-370, 10-375, and 10-380 as follows:

6 (35 ILCS 200/10-365)

7 Sec. 10-365. U.S. Military Public/Private Residential
8 Developments. Unless otherwise agreed to pursuant to a separate
9 settlement agreement, PPV Leases must be classified and valued
10 as set forth in Sections 10-370 through 10-380 during the
11 period beginning January 1, 2006 and ending December 31, 2055
12 January 1, 2017.

13 (Source: P.A. 98-494, eff. 1-1-14; 99-738, eff. 8-5-16.)

14 (35 ILCS 200/10-370)

15 Sec. 10-370. Definitions. For the purposes of this Division

1 14:

2 (a) "PPV Lease" means a leasehold interest in property that
3 is exempt from taxation under Section 15-50 of this Code and
4 that is leased, pursuant to authority set forth in Chapter 10
5 of the United States Code, to another whose property is not
6 exempt for the purpose of, after January 1, 2006, the design,
7 finance, construction, renovation, management, operation, and
8 maintenance of rental housing units and associated
9 improvements at military training facilities, military bases,
10 and related military support facilities in the State of
11 Illinois. All interests enjoyed pursuant to the authority set
12 forth in Chapter 159 or Chapter 169 of Title 10 of the United
13 States Code are considered leaseholds for the purposes of this
14 Division. The changes to this Section made by this amendatory
15 Act of the 97th General Assembly apply beginning on January 1,
16 2006.

17 (b) For tax years prior to 2017, for ~~For~~ naval training
18 facilities, naval bases, and naval support facilities, "net
19 operating income" means all revenues received minus the lesser
20 of (i) 62% of all revenues or (ii) actual expenses before
21 interest, taxes, depreciation, and amortization. For all other
22 military training facilities, military bases, and related
23 military support facilities, "net operating income" means all
24 revenues received minus the lesser of (i) 42% of all revenues
25 or (ii) actual expenses before interest, taxes, depreciation,
26 and amortization.

1 (b-5) For tax year 2017 and thereafter, for naval training
2 facilities, naval bases, and naval support facilities, "net
3 operating income" means all revenues received minus the actual
4 expenses before interest, taxes, depreciation, and
5 amortization.

6 (c) "Tax load factor" means the level of assessment, as set
7 forth under item (b) of Section 9-145 or under Section 9-150,
8 multiplied by the cumulative tax rate for the current taxable
9 year.

10 (Source: P.A. 97-942, eff. 8-10-12; 98-494, eff. 1-1-14.)

11 (35 ILCS 200/10-375)

12 Sec. 10-375. Valuation.

13 (a) A PPV Lease must be valued at its fair cash value, as
14 provided under item (b) of Section 9-145 or under Section
15 9-150.

16 (b) The fair cash value of a PPV Lease must be determined
17 by using an income capitalization approach.

18 (c) To determine the fair cash value of a PPV Lease, the
19 net operating income is divided by (i) a rate of 12% ~~7.75%~~ plus
20 (ii) the actual or most recently ascertainable tax load factor
21 for the subject year.

22 (d) By April 15 of each year, the holder of a PPV Lease
23 must report to the chief county assessment officer in each
24 county in which the leasehold property is located the annual
25 gross income and expenses derived and incurred from the PPV

1 Lease, including the rental of leased property for each
2 military housing facility subject to a PPV Lease.

3 (Source: P.A. 94-974, eff. 6-30-06.)

4 (35 ILCS 200/10-380)

5 Sec. 10-380. For the taxable years 2006 through 2055 ~~2016~~,
6 the chief county assessment officer in the county in which
7 property subject to a PPV Lease is located shall apply the
8 provisions of Sections 10-370(b)(i) and 10-375(c)(i) of this
9 Division 14 in assessing and determining the value of any PPV
10 Lease for purposes of the property tax laws of this State.

11 (Source: P.A. 98-463, eff. 8-16-13; 98-494, eff. 1-1-14;
12 99-738, eff. 8-5-16.)

13 Section 99. Effective date. This Act takes effect upon
14 becoming law."