

SB2954



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB2954

Introduced 1/31/2024, by Sen. Neil Anderson

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-169

Amends the Property Tax Code. In provisions concerning the homestead exemption for veterans with disabilities, provides that the term "veteran" also includes a veteran who has received a medical discharge.

LRB103 37095 HLH 67213 b

A BILL FOR

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 10. The Property Tax Code is amended by changing
5 Section 15-169 as follows:

6 (35 ILCS 200/15-169)

7 Sec. 15-169. Homestead exemption for veterans with
8 disabilities.

9 (a) Beginning with taxable year 2007, an annual homestead
10 exemption, limited to the amounts set forth in subsections (b)
11 and (b-3), is granted for property that is used as a qualified
12 residence by a veteran with a disability.

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

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

21 (2) for veterans with a service-connected disability
22 of at least 50%, but less than (i) 75% for exemptions
23 granted in taxable years 2007 through 2009 and (ii) 70%

1 for exemptions granted in taxable year 2010 and each
2 taxable year thereafter, as certified by the United States
3 Department of Veterans Affairs, the annual exemption is
4 \$2,500.

5 (b-3) For taxable years 2015 and thereafter:

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

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

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

18 (4) for taxable year 2023 and thereafter, if the
19 taxpayer is the surviving spouse of a veteran whose death
20 was determined to be service-connected and who is
21 certified by the United States Department of Veterans
22 Affairs as a recipient of dependency and indemnity
23 compensation under federal law, then the property is also
24 exempt from taxation under this Code.

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
13 exceed the amount granted from the most recent ad valorem tax
14 roll may be transferred to his or her new residence as long as
15 it is used as his or her primary residence and he or she does
16 not remarry.

17 As used in this subsection (c):

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

22 (2) for taxable years 2015 through 2022, "surviving
23 spouse" means (i) the surviving spouse of a veteran who
24 obtained an exemption under this Section prior to his or
25 her death and (ii) the surviving spouse of a veteran who
26 was killed in the line of duty at any time prior to the

1 expiration of the application period in effect for the
2 exemption for the taxable year for which the exemption is
3 sought; and

4 (3) for taxable year 2023 and thereafter, "surviving
5 spouse" means: (i) the surviving spouse of a veteran who
6 obtained the exemption under this Section prior to his or
7 her death; (ii) the surviving spouse of a veteran who was
8 killed in the line of duty at any time prior to the
9 expiration of the application period in effect for the
10 exemption for the taxable year for which the exemption is
11 sought; (iii) the surviving spouse of a veteran who did
12 not obtain an exemption under this Section before death,
13 but who would have qualified for the exemption under this
14 Section in the taxable year for which the exemption is
15 sought if he or she had survived, and whose surviving
16 spouse has been a resident of Illinois from the time of the
17 veteran's death through the taxable year for which the
18 exemption is sought; and (iv) the surviving spouse of a
19 veteran whose death was determined to be
20 service-connected, but who would not otherwise qualify
21 under item (i), (ii), or (iii), if the spouse (A) is
22 certified by the United States Department of Veterans
23 Affairs as a recipient of dependency and indemnity
24 compensation under federal law at any time prior to the
25 expiration of the application period in effect for the
26 exemption for the taxable year for which the exemption is

1 sought and (B) remains eligible for that dependency and
2 indemnity compensation as of January 1 of the taxable year
3 for which the exemption is sought.

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

8 (d) The exemption under this Section applies for taxable
9 year 2007 and thereafter. A taxpayer who claims an exemption
10 under Section 15-165 or 15-168 may not claim an exemption
11 under this Section.

12 (e) Except as otherwise provided in this subsection (e),
13 each taxpayer who has been granted an exemption under this
14 Section must reapply on an annual basis. Application must be
15 made during the application period in effect for the county of
16 his or her residence. The assessor or chief county assessment
17 officer may determine the eligibility of residential property
18 to receive the homestead exemption provided by this Section by
19 application, visual inspection, questionnaire, or other
20 reasonable methods. The determination must be made in
21 accordance with guidelines established by the Department.

22 On and after May 23, 2022 (the effective date of Public Act
23 102-895), if a veteran has a combined service connected
24 disability rating of 100% and is deemed to be permanently and
25 totally disabled, as certified by the United States Department
26 of Veterans Affairs, the taxpayer who has been granted an

1 exemption under this Section shall no longer be required to
2 reapply for the exemption on an annual basis, and the
3 exemption shall be in effect for as long as the exemption would
4 otherwise be permitted under this Section.

5 (e-1) If the person qualifying for the exemption does not
6 occupy the qualified residence as of January 1 of the taxable
7 year, the exemption granted under this Section shall be
8 prorated on a monthly basis. The prorated exemption shall
9 apply beginning with the first complete month in which the
10 person occupies the qualified residence.

11 (e-5) Notwithstanding any other provision of law, each
12 chief county assessment officer may approve this exemption for
13 the 2020 taxable year, without application, for any property
14 that was approved for this exemption for the 2019 taxable
15 year, provided that:

16 (1) the county board has declared a local disaster as
17 provided in the Illinois Emergency Management Agency Act
18 related to the COVID-19 public health emergency;

19 (2) the owner of record of the property as of January
20 1, 2020 is the same as the owner of record of the property
21 as of January 1, 2019;

22 (3) the exemption for the 2019 taxable year has not
23 been determined to be an erroneous exemption as defined by
24 this Code; and

25 (4) the applicant for the 2019 taxable year has not
26 asked for the exemption to be removed for the 2019 or 2020

1 taxable years.

2 Nothing in this subsection shall preclude a veteran whose
3 service connected disability rating has changed since the 2019
4 exemption was granted from applying for the exemption based on
5 the subsequent service connected disability rating.

6 (e-10) Notwithstanding any other provision of law, each
7 chief county assessment officer may approve this exemption for
8 the 2021 taxable year, without application, for any property
9 that was approved for this exemption for the 2020 taxable
10 year, if:

11 (1) the county board has declared a local disaster as
12 provided in the Illinois Emergency Management Agency Act
13 related to the COVID-19 public health emergency;

14 (2) the owner of record of the property as of January
15 1, 2021 is the same as the owner of record of the property
16 as of January 1, 2020;

17 (3) the exemption for the 2020 taxable year has not
18 been determined to be an erroneous exemption as defined by
19 this Code; and

20 (4) the taxpayer for the 2020 taxable year has not
21 asked for the exemption to be removed for the 2020 or 2021
22 taxable years.

23 Nothing in this subsection shall preclude a veteran whose
24 service connected disability rating has changed since the 2020
25 exemption was granted from applying for the exemption based on
26 the subsequent service connected disability rating.

1 (f) For the purposes of this Section:

2 "Qualified residence" means real property, but less any
3 portion of that property that is used for commercial purposes,
4 with an equalized assessed value of less than \$250,000 that is
5 the primary residence of a veteran with a disability. Property
6 rented for more than 6 months is presumed to be used for
7 commercial purposes.

8 "Veteran" means an Illinois resident who has served as a
9 member of the United States Armed Forces on active duty or
10 State active duty, a member of the Illinois National Guard, or
11 a member of the United States Reserve Forces and who has
12 received an honorable discharge or has received a medical
13 discharge, as determined on the veteran's DD-214 form.

14 (Source: P.A. 102-136, eff. 7-23-21; 102-895, eff. 5-23-22;
15 103-154, eff. 6-30-23.)