



Sen. Arthur J. Wilhelmi

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1 AMENDMENT TO SENATE BILL 701

2 AMENDMENT NO. _____. Amend Senate Bill 701 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Property Tax Code is amended by changing
5 Section 18-165 as follows:

6 (35 ILCS 200/18-165)

7 Sec. 18-165. Abatement of taxes.

8 (a) Any taxing district, upon a majority vote of its
9 governing authority, may, after the determination of the
10 assessed valuation of its property, order the clerk of that
11 county to abate any portion of its taxes on the following types
12 of property:

13 (1) Commercial and industrial.

14 (A) The property of any commercial or industrial
15 firm, including but not limited to the property of (i)
16 any firm that is used for collecting, separating,
17 storing, or processing recyclable materials, locating
18 within the taxing district during the immediately
19 preceding year from another state, territory, or
20 country, or having been newly created within this State
21 during the immediately preceding year, or expanding an
22 existing facility, or (ii) any firm that is used for
23 the generation and transmission of electricity
24 locating within the taxing district during the

1 immediately preceding year or expanding its presence
2 within the taxing district during the immediately
3 preceding year by construction of a new electric
4 generating facility that uses natural gas as its fuel,
5 or any firm that is used for production operations at a
6 new, expanded, or reopened coal mine within the taxing
7 district, that has been certified as a High Impact
8 Business by the Illinois Department of Commerce and
9 Economic Opportunity ~~Community Affairs~~. The property
10 of any firm used for the generation and transmission of
11 electricity shall include all property of the firm used
12 for transmission facilities as defined in Section 5.5
13 of the Illinois Enterprise Zone Act. The abatement
14 shall not exceed a period of 10 years and the aggregate
15 amount of abated taxes for all taxing districts
16 combined shall not exceed \$4,000,000.

17 (A-5) Any property in the taxing district of a new
18 electric generating facility, as defined in Section
19 605-332 of the Department of Commerce and Economic
20 Opportunity ~~Community Affairs~~ Law of the Civil
21 Administrative Code of Illinois. The abatement shall
22 not exceed a period of 10 years. The abatement shall be
23 subject to the following limitations:

24 (i) if the equalized assessed valuation of the
25 new electric generating facility is equal to or
26 greater than \$25,000,000 but less than
27 \$50,000,000, then the abatement may not exceed (i)
28 over the entire term of the abatement, 5% of the
29 taxing district's aggregate taxes from the new
30 electric generating facility and (ii) in any one
31 year of abatement, 20% of the taxing district's
32 taxes from the new electric generating facility;

33 (ii) if the equalized assessed valuation of
34 the new electric generating facility is equal to or

1 greater than \$50,000,000 but less than
2 \$75,000,000, then the abatement may not exceed (i)
3 over the entire term of the abatement, 10% of the
4 taxing district's aggregate taxes from the new
5 electric generating facility and (ii) in any one
6 year of abatement, 35% of the taxing district's
7 taxes from the new electric generating facility;

8 (iii) if the equalized assessed valuation of
9 the new electric generating facility is equal to or
10 greater than \$75,000,000 but less than
11 \$100,000,000, then the abatement may not exceed
12 (i) over the entire term of the abatement, 20% of
13 the taxing district's aggregate taxes from the new
14 electric generating facility and (ii) in any one
15 year of abatement, 50% of the taxing district's
16 taxes from the new electric generating facility;

17 (iv) if the equalized assessed valuation of
18 the new electric generating facility is equal to or
19 greater than \$100,000,000 but less than
20 \$125,000,000, then the abatement may not exceed
21 (i) over the entire term of the abatement, 30% of
22 the taxing district's aggregate taxes from the new
23 electric generating facility and (ii) in any one
24 year of abatement, 60% of the taxing district's
25 taxes from the new electric generating facility;

26 (v) if the equalized assessed valuation of the
27 new electric generating facility is equal to or
28 greater than \$125,000,000 but less than
29 \$150,000,000, then the abatement may not exceed
30 (i) over the entire term of the abatement, 40% of
31 the taxing district's aggregate taxes from the new
32 electric generating facility and (ii) in any one
33 year of abatement, 60% of the taxing district's
34 taxes from the new electric generating facility;

1 (vi) if the equalized assessed valuation of
2 the new electric generating facility is equal to or
3 greater than \$150,000,000, then the abatement may
4 not exceed (i) over the entire term of the
5 abatement, 50% of the taxing district's aggregate
6 taxes from the new electric generating facility
7 and (ii) in any one year of abatement, 60% of the
8 taxing district's taxes from the new electric
9 generating facility.

10 The abatement is not effective unless the owner of
11 the new electric generating facility agrees to repay to
12 the taxing district all amounts previously abated,
13 together with interest computed at the rate and in the
14 manner provided for delinquent taxes, in the event that
15 the owner of the new electric generating facility
16 closes the new electric generating facility before the
17 expiration of the entire term of the abatement.

18 The authorization of taxing districts to abate
19 taxes under this subdivision (a)(1)(A-5) expires on
20 January 1, 2010.

21 (B) The property of any commercial or industrial
22 development of at least 500 acres having been created
23 within the taxing district. The abatement shall not
24 exceed a period of 20 years and the aggregate amount of
25 abated taxes for all taxing districts combined shall
26 not exceed \$12,000,000. For the commercial or
27 industrial development, however, of at least 500 acres
28 on undeveloped land that was transferred by the
29 Secretary of the Army pursuant to the federal Illinois
30 Land Conservation Act and that is owned by the Joliet
31 Arsenal Development Authority or undeveloped land
32 subsequently acquired by the Joliet Arsenal
33 Development Authority, the abatement may not exceed a
34 period of 20 years and the aggregate amount of the

1 abated taxes for all taxing districts combined may not
2 exceed \$38,000,000.

3 (C) The property of any commercial or industrial
4 firm currently located in the taxing district that
5 expands a facility or its number of employees. The
6 abatement shall not exceed a period of 10 years and the
7 aggregate amount of abated taxes for all taxing
8 districts combined shall not exceed \$4,000,000. The
9 abatement period may be renewed at the option of the
10 taxing districts.

11 (2) Horse racing. Any property in the taxing district
12 which is used for the racing of horses and upon which
13 capital improvements consisting of expansion, improvement
14 or replacement of existing facilities have been made since
15 July 1, 1987. The combined abatements for such property
16 from all taxing districts in any county shall not exceed
17 \$5,000,000 annually and shall not exceed a period of 10
18 years.

19 (3) Auto racing. Any property designed exclusively for
20 the racing of motor vehicles. Such abatement shall not
21 exceed a period of 10 years.

22 (4) Academic or research institute. The property of any
23 academic or research institute in the taxing district that
24 (i) is an exempt organization under paragraph (3) of
25 Section 501(c) of the Internal Revenue Code, (ii) operates
26 for the benefit of the public by actually and exclusively
27 performing scientific research and making the results of
28 the research available to the interested public on a
29 non-discriminatory basis, and (iii) employs more than 100
30 employees. An abatement granted under this paragraph shall
31 be for at least 15 years and the aggregate amount of abated
32 taxes for all taxing districts combined shall not exceed
33 \$5,000,000.

34 (5) Housing for older persons. Any property in the

1 taxing district that is devoted exclusively to affordable
2 housing for older households. For purposes of this
3 paragraph, "older households" means those households (i)
4 living in housing provided under any State or federal
5 program that the Department of Human Rights determines is
6 specifically designed and operated to assist elderly
7 persons and is solely occupied by persons 55 years of age
8 or older and (ii) whose annual income does not exceed 80%
9 of the area gross median income, adjusted for family size,
10 as such gross income and median income are determined from
11 time to time by the United States Department of Housing and
12 Urban Development. The abatement shall not exceed a period
13 of 15 years, and the aggregate amount of abated taxes for
14 all taxing districts shall not exceed \$3,000,000.

15 (6) Historical society. For assessment years 1998
16 through 2008, the property of an historical society
17 qualifying as an exempt organization under Section
18 501(c)(3) of the federal Internal Revenue Code.

19 (7) Recreational facilities. Any property in the
20 taxing district (i) that is used for a municipal airport,
21 (ii) that is subject to a leasehold assessment under
22 Section 9-195 of this Code and (iii) which is sublet from a
23 park district that is leasing the property from a
24 municipality, but only if the property is used exclusively
25 for recreational facilities or for parking lots used
26 exclusively for those facilities. The abatement shall not
27 exceed a period of 10 years.

28 (8) Relocated corporate headquarters. If approval
29 occurs within 5 years after the effective date of this
30 amendatory Act of the 92nd General Assembly, any property
31 or a portion of any property in a taxing district that is
32 used by an eligible business for a corporate headquarters
33 as defined in the Corporate Headquarters Relocation Act.
34 Instead of an abatement under this paragraph (8), a taxing

1 district may enter into an agreement with an eligible
2 business to make annual payments to that eligible business
3 in an amount not to exceed the property taxes paid directly
4 or indirectly by that eligible business to the taxing
5 district and any other taxing districts for premises
6 occupied pursuant to a written lease and may make those
7 payments without the need for an annual appropriation. No
8 school district, however, may enter into an agreement with,
9 or abate taxes for, an eligible business unless the
10 municipality in which the corporate headquarters is
11 located agrees to provide funding to the school district in
12 an amount equal to the amount abated or paid by the school
13 district as provided in this paragraph (8). Any abatement
14 ordered or agreement entered into under this paragraph (8)
15 may be effective for the entire term specified by the
16 taxing district, except the term of the abatement or annual
17 payments may not exceed 20 years.

18 (b) Upon a majority vote of its governing authority, any
19 municipality may, after the determination of the assessed
20 valuation of its property, order the county clerk to abate any
21 portion of its taxes on any property that is located within the
22 corporate limits of the municipality in accordance with Section
23 8-3-18 of the Illinois Municipal Code.

24 (Source: P.A. 92-12, eff. 7-1-01; 92-207, eff. 8-1-01; 92-247,
25 eff. 8-3-01; 92-651, eff. 7-11-02; 93-270, eff. 7-22-03;
26 revised 12-6-03.)".

27 Section 99. Effective date. This Act takes effect upon
28 becoming law.".