



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

SB2132

Introduced 10/19/2005, by Sen. Pamela J. Althoff

SYNOPSIS AS INTRODUCED:

35 ILCS 200/20-15
35 ILCS 200/21-295
35 ILCS 200/21-300
35 ILCS 200/21-308 new

Amends the Property Tax Code. Provides that each tax bill must include information that certain taxpayers may be eligible for tax exemptions, abatements, and other assistance programs and that, for more information, taxpayers should consult with the office of their township or county collector and with the Illinois Department of Revenue. Authorizes counties to establish and operate a homestead protection program under which the county treasurer may make payments from the indemnity fund to pay the delinquent taxes, along with all associated fees and interest, on the primary residence of eligible taxpayers. Provides that the county treasurer shall have a lien on the property in the amount of the assistance provided. Sets forth requirements for the program. Effective immediately.

LRB094 14124 BDD 49023 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Property Tax Code is amended by changing
5 Sections 20-15, 21-295, and 21-300 and by adding Section 21-308
6 as follows:

7 (35 ILCS 200/20-15)

8 Sec. 20-15. Information on bill or separate statement.
9 There shall be printed on each bill, or on a separate slip
10 which shall be mailed with the bill:

11 (a) a statement itemizing the rate at which taxes have
12 been extended for each of the taxing districts in the
13 county in whose district the property is located, and in
14 those counties utilizing electronic data processing
15 equipment the dollar amount of tax due from the person
16 assessed allocable to each of those taxing districts,
17 including a separate statement of the dollar amount of tax
18 due which is allocable to a tax levied under the Illinois
19 Local Library Act or to any other tax levied by a
20 municipality or township for public library purposes,

21 (b) a separate statement for each of the taxing
22 districts of the dollar amount of tax due which is
23 allocable to a tax levied under the Illinois Pension Code
24 or to any other tax levied by a municipality or township
25 for public pension or retirement purposes,

26 (c) the total tax rate,

27 (d) the total amount of tax due, and

28 (e) the amount by which the total tax and the tax
29 allocable to each taxing district differs from the
30 taxpayer's last prior tax bill.

31 The county treasurer shall ensure that only those taxing
32 districts in which a parcel of property is located shall be

1 listed on the bill for that property.

2 In all counties the statement shall also provide:

3 (1) the property index number or other suitable
4 description,

5 (2) the assessment of the property,

6 (3) the equalization factors imposed by the county and
7 by the Department, and

8 (4) the equalized assessment resulting from the
9 application of the equalization factors to the basic
10 assessment.

11 In all counties which do not classify property for purposes
12 of taxation, for property on which a single family residence is
13 situated the statement shall also include a statement to
14 reflect the fair cash value determined for the property. In all
15 counties which classify property for purposes of taxation in
16 accordance with Section 4 of Article IX of the Illinois
17 Constitution, for parcels of residential property in the lowest
18 assessment classification the statement shall also include a
19 statement to reflect the fair cash value determined for the
20 property.

21 In all counties, the statement must include information
22 that certain taxpayers may be eligible for tax exemptions,
23 abatements, and other assistance programs and that, for more
24 information, taxpayers should consult with the office of their
25 township or county collector and with the Illinois Department
26 of Revenue.

27 In all counties, the statement shall include information
28 that certain taxpayers may be eligible for the Senior Citizens
29 and Disabled Persons Property Tax Relief and Pharmaceutical
30 Assistance Act and that applications are available from the
31 Illinois Department of Revenue.

32 In counties which use the estimated or accelerated billing
33 methods, these statements shall only be provided with the final
34 installment of taxes due. The provisions of this Section create
35 a mandatory statutory duty. They are not merely directory or
36 discretionary. The failure or neglect of the collector to mail

1 the bill, or the failure of the taxpayer to receive the bill,
2 shall not affect the validity of any tax, or the liability for
3 the payment of any tax.

4 (Source: P.A. 91-699, eff. 1-1-01.)

5 (35 ILCS 200/21-295)

6 Sec. 21-295. Creation of indemnity fund.

7 (a) In counties of less than 3,000,000 inhabitants, each
8 person purchasing any property at a sale under this Code shall
9 pay to the County Collector, prior to the issuance of any
10 certificate of purchase, a fee of \$20 for each item purchased.
11 A like sum shall be paid for each year that all or a portion of
12 subsequent taxes are paid by the tax purchaser and posted to
13 the tax judgment, sale, redemption and forfeiture record where
14 the underlying certificate of purchase is recorded.

15 (a-5) In counties of 3,000,000 or more inhabitants, each
16 person purchasing property at a sale under this Code shall pay
17 to the County Collector a fee of \$80 for each item purchased
18 plus an additional sum equal to 5% of taxes, interest, and
19 penalties paid by the purchaser, including the taxes, interest,
20 and penalties paid under Section 21-240. In these counties, the
21 certificate holder shall also pay to the County Collector a fee
22 of \$80 for each year that all or a portion of subsequent taxes
23 are paid by the tax purchaser and posted to the tax judgment,
24 sale, redemption, and forfeiture record, plus an additional sum
25 equal to 5% of all subsequent taxes, interest, and penalties.
26 The additional 5% fees are not required after December 31,
27 2006. The changes to this subsection made by this amendatory
28 Act of the 91st General Assembly are not a new enactment, but
29 declaratory of existing law.

30 (b) The amount paid prior to issuance of the certificate of
31 purchase pursuant to subsection (a) or (a-5) shall be included
32 in the purchase price of the property in the certificate of
33 purchase and all amounts paid under this Section shall be
34 included in the amount required to redeem under Section 21-355.
35 Except as otherwise provided in subsection (b) of Section

1 21-300, all money received under subsection (a) or (a-5) shall
2 be paid by the Collector to the County Treasurer of the County
3 in which the land is situated, for the purpose of an indemnity
4 fund. The County Treasurer, as trustee of that fund, shall
5 invest all of that fund, principal and income, in his or her
6 hands from time to time, if not immediately required for
7 payments of indemnities under subsection (a) of Section 21-305,
8 in investments permitted by the Illinois State Board of
9 Investment under Article 22A of the Illinois Pension Code. The
10 county collector shall report annually to the county clerk on
11 the condition and income of the fund. The indemnity fund shall
12 be held to satisfy judgments obtained against the County
13 Treasurer, as trustee of the fund and may be used to operate a
14 homestead protection program under Section 21-308. No payment
15 shall be made from the fund, except upon a judgment of the
16 court which ordered the issuance of a tax deed or under a
17 homestead protection program under Section 21-308.

18 (Source: P.A. 94-412, eff. 8-2-05.)

19 (35 ILCS 200/21-300)

20 Sec. 21-300. Amount to be retained in indemnity fund.

21 (a) The county board in each county shall determine the
22 amount of the fund to be maintained in that county, which
23 amount shall not be less than 0.03% of the total assessed
24 valuation, as equalized by the Department, of property within
25 the County, or \$50,000, whichever is greater, and, if the
26 county does not operate a homestead protection program under
27 Section 21-308, shall not be greater than \$1,000,000 in
28 counties with less than 3,000,000 inhabitants, and not greater
29 than \$2,000,000 in counties with 3,000,000 or more inhabitants.
30 Any moneys accumulated by the County Treasurer in excess of the
31 amount so established, as trustee of the fund, shall be paid by
32 him or her annually to the general fund of the County.

33 (b) In counties in which a Tort Liability Fund is
34 established, all sums of money received under subsection (a) of
35 Section 21-295 may be deposited in the general fund of the

1 county for general county governmental purposes, if the county
2 board provides by ordinance that the indemnity required by this
3 Section shall be provided by the Tort Liability Fund.

4 (Source: P.A. 86-1028; 86-1431; 88-455.)

5 (35 ILCS 200/21-308 new)

6 Sec. 21-308. County homestead protection program.

7 (a) Each county may establish and operate a homestead
8 protection program under which the county treasurer may make
9 payments from the indemnity fund to pay the delinquent taxes,
10 along with all associated fees and interest, on the primary
11 residence of eligible taxpayers.

12 (b) To be eligible to receive assistance under a county
13 homestead protection program, a taxpayer must satisfy all of
14 the following criteria:

15 (1) the taxpayer's primary residence is located within
16 the county operating the homestead protection program;

17 (2) but for the failure to submit an application or
18 certification, for the taxpayer's primary residence and in
19 the taxable year for which the taxes are delinquent, the
20 taxpayer would have been eligible to receive:

21 (A) an exemption under Section 15-165, 15-170, or
22 15-172 of this Act;

23 (B) a deferral or exemption under the Longtime
24 Owner-Occupant Property Tax Relief Act;

25 (C) property-tax assistance under the the Senior
26 Citizens and Disabled Persons Property Tax Relief and
27 Pharmaceutical Assistance Act; or

28 (D) a deferral under the Senior Citizens Real
29 Estate Tax Deferral Act; and

30 (3) the taxpayer has not received assistance under the
31 homestead protection program on a previous occasion.

32 (c) If a taxpayer receives assistance under a county
33 homestead protection program, then the county treasurer of the
34 county in which the primary residence is located has a lien on
35 the residence for the amount of the assistance. The treasurer

1 must notify the taxpayer, in writing, of the existence of the
2 lien. Such liens have the same force, effect, and priority as a
3 judgment lien and continue from the date of the recording until
4 the lien is released or otherwise discharged. The county
5 treasurer may, at any time, release all or any portion of the
6 property subject to a lien under this Section or subordinate
7 the lien to other liens if he or she determines that the
8 release or subordination of the lien will not endanger or
9 jeopardize the collection of the amount of assistance.

10 (d) In no event may the operation of a homestead protection
11 program reduce the amount of the indemnity fund that is
12 available to make payments under Section 21-305 to less than
13 0.03% of the total assessed valuation, as equalized by the
14 Department, of property within the county, or \$50,000,
15 whichever is greater.

16 Section 99. Effective date. This Act takes effect upon
17 becoming law.