



## 97TH GENERAL ASSEMBLY

### State of Illinois

2011 and 2012

HB5553

Introduced 2/15/2012, by Rep. Michael P. McAuliffe

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-165  
35 ILCS 200/15-169

Amends the Property Tax Code. Provides that the minimum assessed value for a home qualifying for the disabled veterans property tax exemption is \$100,000 (instead of \$70,000). Extends the disabled veterans standard homestead exemption to veterans who were killed in the line of duty. Effective immediately.

LRB097 18941 HLH 64179 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 15-165 and 15-169 as follows:

6 (35 ILCS 200/15-165)

7 Sec. 15-165. Disabled veterans. Property up to an assessed  
8 value of \$100,000 ~~\$70,000~~, owned and used exclusively by a  
9 disabled veteran, or the spouse or unmarried surviving spouse  
10 of the veteran, as a home, is exempt. As used in this Section,  
11 a disabled veteran means a person who has served in the Armed  
12 Forces of the United States and whose disability is of such a  
13 nature that the Federal Government has authorized payment for  
14 purchase or construction of Specially Adapted Housing as set  
15 forth in the United States Code, Title 38, Chapter 21, Section  
16 2101.

17 The exemption applies to housing where Federal funds have  
18 been used to purchase or construct special adaptations to suit  
19 the veteran's disability.

20 The exemption also applies to housing that is specially  
21 adapted to suit the veteran's disability, and purchased  
22 entirely or in part by the proceeds of a sale, casualty loss  
23 reimbursement, or other transfer of a home for which the

1 Federal Government had previously authorized payment for  
2 purchase or construction as Specially Adapted Housing.

3 However, the entire proceeds of the sale, casualty loss  
4 reimbursement, or other transfer of that housing shall be  
5 applied to the acquisition of subsequent specially adapted  
6 housing to the extent that the proceeds equal the purchase  
7 price of the subsequently acquired housing.

8 For purposes of this Section, "unmarried surviving spouse"  
9 means the surviving spouse of the veteran at any time after the  
10 death of the veteran during which such surviving spouse is not  
11 married.

12 This exemption must be reestablished on an annual basis by  
13 certification from the Illinois Department of Veterans'  
14 Affairs to the Department, which shall forward a copy of the  
15 certification to local assessing officials.

16 A taxpayer who claims an exemption under Section 15-168 or  
17 15-169 may not claim an exemption under this Section.

18 (Source: P.A. 94-310, eff. 7-25-05; 95-644, eff. 10-12-07.)

19 (35 ILCS 200/15-169)

20 Sec. 15-169. Disabled veterans standard homestead  
21 exemption.

22 (a) Beginning with taxable year 2007, an annual homestead  
23 exemption, limited to the amounts set forth in subsection (b),  
24 is granted for property that is used as a qualified residence  
25 by a disabled veteran.

1 (b) The amount of the exemption under this Section is as  
2 follows:

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

9 (2) for veterans with a service-connected disability  
10 of at least 50%, but less than (i) 75% for exemptions  
11 granted in taxable years 2007 through 2009 and (ii) 70% for  
12 exemptions granted in taxable year 2010 and each taxable  
13 year thereafter, as certified by the United States  
14 Department of Veterans Affairs, the annual exemption is  
15 \$2,500.

16 (b-5) If a homestead exemption is granted under this  
17 Section and the person awarded the exemption subsequently  
18 becomes a resident of a facility licensed under the Nursing  
19 Home Care Act or a facility operated by the United States  
20 Department of Veterans Affairs, then the exemption shall  
21 continue (i) so long as the residence continues to be occupied  
22 by the qualifying person's spouse or (ii) if the residence  
23 remains unoccupied but is still owned by the person who  
24 qualified for the homestead exemption.

25 (c) The tax exemption under this Section carries over to  
26 the benefit of the veteran's surviving spouse as long as the

1 spouse holds the legal or beneficial title to the homestead,  
2 permanently resides thereon, and does not remarry. If the  
3 surviving spouse sells the property, an exemption not to exceed  
4 the amount granted from the most recent ad valorem tax roll may  
5 be transferred to his or her new residence as long as it is  
6 used as his or her primary residence and he or she does not  
7 remarry.

8 (c-1) Nothing in this Section shall require the veteran to  
9 have qualified for or obtained the exemption before death if  
10 the veteran was killed in the line of duty.

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

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

25 (f) For the purposes of this Section:

26 "Qualified residence" means real property, but less any

1 portion of that property that is used for commercial purposes,  
2 with an equalized assessed value of less than \$250,000 that is  
3 the disabled veteran's primary residence. Property rented for  
4 more than 6 months is presumed to be used for commercial  
5 purposes.

6 "Veteran" means an Illinois resident who has served as a  
7 member of the United States Armed Forces on active duty or  
8 State active duty, a member of the Illinois National Guard, or  
9 a member of the United States Reserve Forces and who has  
10 received an honorable discharge, including a veteran who was  
11 killed in the line of duty.

12 (Source: P.A. 96-1298, eff. 1-1-11; 96-1418, eff. 8-2-10;  
13 97-333, eff. 8-12-11.)

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