



Sen. James F. Clayborne, Jr.

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LRB097 10314 HLH 52041 a

1 AMENDMENT TO SENATE BILL 2171

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 2171 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Property Tax Code is amended by changing  
5 Section 15-185 as follows:

6 (35 ILCS 200/15-185)

7 Sec. 15-185. Exemption for leaseback property and  
8 qualified leased property.

9 (a) Notwithstanding anything in this Code to the contrary,  
10 all property owned by a municipality with a population of over  
11 500,000 inhabitants, a unit of local government whose  
12 jurisdiction includes territory located in whole or in part  
13 within a municipality with a population of over 500,000  
14 inhabitants, or a municipality with home rule powers that is  
15 contiguous to a municipality with a population of over 500,000  
16 inhabitants, or property that as of December 31, 2010 is exempt

1 from real estate taxes and is owned by a tax-exempt entity,  
2 shall remain exempt from taxation and any leasehold interest in  
3 that property shall not be subject to taxation under Section  
4 9-195 if the property is directly or indirectly leased, sold,  
5 or otherwise transferred to another entity whose property is  
6 not exempt and immediately thereafter is the subject of a  
7 leaseback or other agreement that directly or indirectly gives  
8 the lessee ~~municipality or unit of local government~~ (i) a right  
9 to use, control, and possess the property either directly or  
10 through its exempt subsidiary or affiliate or (ii) a right for  
11 the municipality or unit of local government to require the  
12 other entity, or the other entity's designee or assignee, to  
13 use the property in the performance of services for the  
14 municipality or unit of local government. Property shall no  
15 longer be exempt under this subsection as of the date when the  
16 right of the lessee ~~municipality or unit of local government~~ to  
17 use, control, and possess the property or for the municipality  
18 or unit of local government to require the performance of  
19 services is terminated and the lessee ~~municipality or unit of~~  
20 ~~local government~~ no longer has any option to purchase or  
21 otherwise reacquire the interest in the property to the extent  
22 that such an option or right of reacquisition was part of the  
23 lease or a provision of the original sale ~~which was transferred~~  
24 ~~by the municipality or unit of local government.~~

25 (b) Notwithstanding anything in this Code to the contrary,  
26 all property owned by a municipality with a population of over

1 500,000 inhabitants, a unit of local government whose  
2 jurisdiction includes territory located in whole or in part  
3 within a municipality with a population of over 500,000  
4 inhabitants, or a municipality with home rule powers that is  
5 contiguous to a municipality with a population of over 500,000  
6 inhabitants, shall remain exempt from taxation and any  
7 leasehold interest in that property is not subject to taxation  
8 under Section 9-195 if the property, including dedicated public  
9 property, is used by a municipality or other unit of local  
10 government for the purpose of an airport or parking or for  
11 waste disposal or processing and is leased for continued use  
12 for the same purpose to another entity whose property is not  
13 exempt.

14 For the purposes of this subsection (b), "airport" does not  
15 include any airport property, as defined under Section 10 of  
16 the O'Hare Modernization Act.

17 Any transaction described under this subsection must be  
18 undertaken in accordance with all appropriate federal laws and  
19 regulations.

20 (c) For purposes of this Section, "municipality" means a  
21 municipality as defined in Section 1-1-2 of the Illinois  
22 Municipal Code, and "unit of local government" means a unit of  
23 local government as defined in Article VII, Section 1 of the  
24 Constitution of the State of Illinois. The provisions of this  
25 Section supersede and control over any conflicting provisions  
26 of this Code.

1 (Source: P.A. 96-779, eff. 8-28-09.)

2 Section 99. Effective date. This Act takes effect upon  
3 becoming law.".