

HB1501



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB1501

by Rep. Dwight Kay

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-170

Amends the Property Tax Code. Increases the maximum reduction under the Senior Citizens Homestead Exemption from \$4,000 to \$7,000 for taxable year 2013 and indexes the reduction to the Consumer Price Index. Effective immediately.

LRB098 04881 HLH 34909 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

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 5. The Property Tax Code is amended by changing
5 Section 15-170 as follows:

6 (35 ILCS 200/15-170)

7 Sec. 15-170. Senior Citizens Homestead Exemption. An
8 annual homestead exemption limited, except as described here
9 with relation to cooperatives or life care facilities, to a
10 maximum reduction set forth below from the property's value, as
11 equalized or assessed by the Department, is granted for
12 property that is occupied as a residence by a person 65 years
13 of age or older who is liable for paying real estate taxes on
14 the property and is an owner of record of the property or has a
15 legal or equitable interest therein as evidenced by a written
16 instrument, except for a leasehold interest, other than a
17 leasehold interest of land on which a single family residence
18 is located, which is occupied as a residence by a person 65
19 years or older who has an ownership interest therein, legal,
20 equitable or as a lessee, and on which he or she is liable for
21 the payment of property taxes. Before taxable year 2004, the
22 maximum reduction shall be \$2,500 in counties with 3,000,000 or
23 more inhabitants and \$2,000 in all other counties. For taxable

1 years 2004 through 2005, the maximum reduction shall be \$3,000
2 in all counties. For taxable years 2006 and 2007, the maximum
3 reduction shall be \$3,500 in all counties. ~~For and, for~~ taxable
4 years 2008 through 2012 ~~and thereafter~~, the maximum reduction
5 is \$4,000 in all counties. For taxable year 2013, the maximum
6 reduction is \$7,000 in all counties. For taxable years 2014 and
7 thereafter, the maximum reduction is the maximum reduction for
8 the prior taxable year increased by the annual rate of
9 increase, for the previous calendar year, of the Consumer Price
10 Index for All Urban Consumers for all items, published by the
11 United States Bureau of Labor Statistics.

12 For land improved with an apartment building owned and
13 operated as a cooperative, the maximum reduction from the value
14 of the property, as equalized by the Department, shall be
15 multiplied by the number of apartments or units occupied by a
16 person 65 years of age or older who is liable, by contract with
17 the owner or owners of record, for paying property taxes on the
18 property and is an owner of record of a legal or equitable
19 interest in the cooperative apartment building, other than a
20 leasehold interest. For land improved with a life care
21 facility, the maximum reduction from the value of the property,
22 as equalized by the Department, shall be multiplied by the
23 number of apartments or units occupied by persons 65 years of
24 age or older, irrespective of any legal, equitable, or
25 leasehold interest in the facility, who are liable, under a
26 contract with the owner or owners of record of the facility,

1 for paying property taxes on the property. In a cooperative or
2 a life care facility where a homestead exemption has been
3 granted, the cooperative association or the management firm of
4 the cooperative or facility shall credit the savings resulting
5 from that exemption only to the apportioned tax liability of
6 the owner or resident who qualified for the exemption. Any
7 person who willfully refuses to so credit the savings shall be
8 guilty of a Class B misdemeanor. Under this Section and
9 Sections 15-175, 15-176, and 15-177, "life care facility" means
10 a facility, as defined in Section 2 of the Life Care Facilities
11 Act, with which the applicant for the homestead exemption has a
12 life care contract as defined in that Act.

13 When a homestead exemption has been granted under this
14 Section and the person qualifying subsequently becomes a
15 resident of a facility licensed under the Assisted Living and
16 Shared Housing Act, the Nursing Home Care Act, the Specialized
17 Mental Health Rehabilitation Act, or the ID/DD Community Care
18 Act, the exemption shall continue so long as the residence
19 continues to be occupied by the qualifying person's spouse if
20 the spouse is 65 years of age or older, or if the residence
21 remains unoccupied but is still owned by the person qualified
22 for the homestead exemption.

23 A person who will be 65 years of age during the current
24 assessment year shall be eligible to apply for the homestead
25 exemption during that assessment year. Application shall be
26 made during the application period in effect for the county of

1 his residence.

2 Beginning with assessment year 2003, for taxes payable in
3 2004, property that is first occupied as a residence after
4 January 1 of any assessment year by a person who is eligible
5 for the senior citizens homestead exemption under this Section
6 must be granted a pro-rata exemption for the assessment year.
7 The amount of the pro-rata exemption is the exemption allowed
8 in the county under this Section divided by 365 and multiplied
9 by the number of days during the assessment year the property
10 is occupied as a residence by a person eligible for the
11 exemption under this Section. The chief county assessment
12 officer must adopt reasonable procedures to establish
13 eligibility for this pro-rata exemption.

14 The assessor or chief county assessment officer may
15 determine the eligibility of a life care facility to receive
16 the benefits provided by this Section, by affidavit,
17 application, visual inspection, questionnaire or other
18 reasonable methods in order to insure that the tax savings
19 resulting from the exemption are credited by the management
20 firm to the apportioned tax liability of each qualifying
21 resident. The assessor may request reasonable proof that the
22 management firm has so credited the exemption.

23 The chief county assessment officer of each county with
24 less than 3,000,000 inhabitants shall provide to each person
25 allowed a homestead exemption under this Section a form to
26 designate any other person to receive a duplicate of any notice

1 of delinquency in the payment of taxes assessed and levied
2 under this Code on the property of the person receiving the
3 exemption. The duplicate notice shall be in addition to the
4 notice required to be provided to the person receiving the
5 exemption, and shall be given in the manner required by this
6 Code. The person filing the request for the duplicate notice
7 shall pay a fee of \$5 to cover administrative costs to the
8 supervisor of assessments, who shall then file the executed
9 designation with the county collector. Notwithstanding any
10 other provision of this Code to the contrary, the filing of
11 such an executed designation requires the county collector to
12 provide duplicate notices as indicated by the designation. A
13 designation may be rescinded by the person who executed such
14 designation at any time, in the manner and form required by the
15 chief county assessment officer.

16 The assessor or chief county assessment officer may
17 determine the eligibility of residential property to receive
18 the homestead exemption provided by this Section by
19 application, visual inspection, questionnaire or other
20 reasonable methods. The determination shall be made in
21 accordance with guidelines established by the Department.

22 In counties with 3,000,000 or more inhabitants, beginning
23 in taxable year 2010, each taxpayer who has been granted an
24 exemption under this Section must reapply on an annual basis.
25 The chief county assessment officer shall mail the application
26 to the taxpayer. In counties with less than 3,000,000

1 inhabitants, the county board may by resolution provide that if
2 a person has been granted a homestead exemption under this
3 Section, the person qualifying need not reapply for the
4 exemption.

5 In counties with less than 3,000,000 inhabitants, if the
6 assessor or chief county assessment officer requires annual
7 application for verification of eligibility for an exemption
8 once granted under this Section, the application shall be
9 mailed to the taxpayer.

10 The assessor or chief county assessment officer shall
11 notify each person who qualifies for an exemption under this
12 Section that the person may also qualify for deferral of real
13 estate taxes under the Senior Citizens Real Estate Tax Deferral
14 Act. The notice shall set forth the qualifications needed for
15 deferral of real estate taxes, the address and telephone number
16 of county collector, and a statement that applications for
17 deferral of real estate taxes may be obtained from the county
18 collector.

19 Notwithstanding Sections 6 and 8 of the State Mandates Act,
20 no reimbursement by the State is required for the
21 implementation of any mandate created by this Section.

22 (Source: P.A. 96-339, eff. 7-1-10; 96-355, eff. 1-1-10;
23 96-1000, eff. 7-2-10; 96-1418, eff. 8-2-10; 97-38, eff.
24 6-28-11; 97-227, eff. 1-1-12; 97-813, eff. 7-13-12.)

25 Section 99. Effective date. This Act takes effect upon
26 becoming law.