

SB2257



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

SB2257

Introduced 2/15/2013, by Sen. Don Harmon

SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-185
35 ILCS 200/18-190
35 ILCS 200/18-190.3 new

Amends the Property Tax Extension Limitation Law in the Property Tax Code. Provides that no referendum to increase a limiting rate may be submitted to the voters on or after January 1, 2014. Provides that, on and after January 1, 2014, a referendum to increase the district's aggregate extension may be submitted to the voters. Effective immediately.

LRB098 07210 HLH 37271 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 Sections 18-185 and 18-190 and by adding Section 18-190.3 as
6 follows:

7 (35 ILCS 200/18-185)

8 Sec. 18-185. Short title; definitions. This Division 5 may
9 be cited as the Property Tax Extension Limitation Law. As used
10 in this Division 5:

11 "Consumer Price Index" means the Consumer Price Index for
12 All Urban Consumers for all items published by the United
13 States Department of Labor.

14 "Extension limitation" means (a) the lesser of 5% or the
15 percentage increase in the Consumer Price Index during the
16 12-month calendar year preceding the levy year or (b) the rate
17 of increase approved by voters under Section 18-205.

18 "Affected county" means a county of 3,000,000 or more
19 inhabitants or a county contiguous to a county of 3,000,000 or
20 more inhabitants.

21 "Taxing district" has the same meaning provided in Section
22 1-150, except as otherwise provided in this Section. For the
23 1991 through 1994 levy years only, "taxing district" includes

1 only each non-home rule taxing district having the majority of
2 its 1990 equalized assessed value within any county or counties
3 contiguous to a county with 3,000,000 or more inhabitants.
4 Beginning with the 1995 levy year, "taxing district" includes
5 only each non-home rule taxing district subject to this Law
6 before the 1995 levy year and each non-home rule taxing
7 district not subject to this Law before the 1995 levy year
8 having the majority of its 1994 equalized assessed value in an
9 affected county or counties. Beginning with the levy year in
10 which this Law becomes applicable to a taxing district as
11 provided in Section 18-213, "taxing district" also includes
12 those taxing districts made subject to this Law as provided in
13 Section 18-213.

14 "Aggregate extension" for taxing districts to which this
15 Law applied before the 1995 levy year means the annual
16 corporate extension for the taxing district and those special
17 purpose extensions that are made annually for the taxing
18 district, excluding special purpose extensions: (a) made for
19 the taxing district to pay interest or principal on general
20 obligation bonds that were approved by referendum; (b) made for
21 any taxing district to pay interest or principal on general
22 obligation bonds issued before October 1, 1991; (c) made for
23 any taxing district to pay interest or principal on bonds
24 issued to refund or continue to refund those bonds issued
25 before October 1, 1991; (d) made for any taxing district to pay
26 interest or principal on bonds issued to refund or continue to

1 refund bonds issued after October 1, 1991 that were approved by
2 referendum; (e) made for any taxing district to pay interest or
3 principal on revenue bonds issued before October 1, 1991 for
4 payment of which a property tax levy or the full faith and
5 credit of the unit of local government is pledged; however, a
6 tax for the payment of interest or principal on those bonds
7 shall be made only after the governing body of the unit of
8 local government finds that all other sources for payment are
9 insufficient to make those payments; (f) made for payments
10 under a building commission lease when the lease payments are
11 for the retirement of bonds issued by the commission before
12 October 1, 1991, to pay for the building project; (g) made for
13 payments due under installment contracts entered into before
14 October 1, 1991; (h) made for payments of principal and
15 interest on bonds issued under the Metropolitan Water
16 Reclamation District Act to finance construction projects
17 initiated before October 1, 1991; (i) made for payments of
18 principal and interest on limited bonds, as defined in Section
19 3 of the Local Government Debt Reform Act, in an amount not to
20 exceed the debt service extension base less the amount in items
21 (b), (c), (e), and (h) of this definition for non-referendum
22 obligations, except obligations initially issued pursuant to
23 referendum; (j) made for payments of principal and interest on
24 bonds issued under Section 15 of the Local Government Debt
25 Reform Act; (k) made by a school district that participates in
26 the Special Education District of Lake County, created by

1 special education joint agreement under Section 10-22.31 of the
2 School Code, for payment of the school district's share of the
3 amounts required to be contributed by the Special Education
4 District of Lake County to the Illinois Municipal Retirement
5 Fund under Article 7 of the Illinois Pension Code; the amount
6 of any extension under this item (k) shall be certified by the
7 school district to the county clerk; (l) made to fund expenses
8 of providing joint recreational programs for the handicapped
9 under Section 5-8 of the Park District Code or Section 11-95-14
10 of the Illinois Municipal Code; (m) made for temporary
11 relocation loan repayment purposes pursuant to Sections 2-3.77
12 and 17-2.2d of the School Code; (n) made for payment of
13 principal and interest on any bonds issued under the authority
14 of Section 17-2.2d of the School Code; (o) made for
15 contributions to a firefighter's pension fund created under
16 Article 4 of the Illinois Pension Code, to the extent of the
17 amount certified under item (5) of Section 4-134 of the
18 Illinois Pension Code; and (p) made for road purposes in the
19 first year after a township assumes the rights, powers, duties,
20 assets, property, liabilities, obligations, and
21 responsibilities of a road district abolished under the
22 provisions of Section 6-133 of the Illinois Highway Code.

23 "Aggregate extension" for the taxing districts to which
24 this Law did not apply before the 1995 levy year (except taxing
25 districts subject to this Law in accordance with Section
26 18-213) means the annual corporate extension for the taxing

1 district and those special purpose extensions that are made
2 annually for the taxing district, excluding special purpose
3 extensions: (a) made for the taxing district to pay interest or
4 principal on general obligation bonds that were approved by
5 referendum; (b) made for any taxing district to pay interest or
6 principal on general obligation bonds issued before March 1,
7 1995; (c) made for any taxing district to pay interest or
8 principal on bonds issued to refund or continue to refund those
9 bonds issued before March 1, 1995; (d) made for any taxing
10 district to pay interest or principal on bonds issued to refund
11 or continue to refund bonds issued after March 1, 1995 that
12 were approved by referendum; (e) made for any taxing district
13 to pay interest or principal on revenue bonds issued before
14 March 1, 1995 for payment of which a property tax levy or the
15 full faith and credit of the unit of local government is
16 pledged; however, a tax for the payment of interest or
17 principal on those bonds shall be made only after the governing
18 body of the unit of local government finds that all other
19 sources for payment are insufficient to make those payments;
20 (f) made for payments under a building commission lease when
21 the lease payments are for the retirement of bonds issued by
22 the commission before March 1, 1995 to pay for the building
23 project; (g) made for payments due under installment contracts
24 entered into before March 1, 1995; (h) made for payments of
25 principal and interest on bonds issued under the Metropolitan
26 Water Reclamation District Act to finance construction

1 projects initiated before October 1, 1991; (h-4) made for
2 stormwater management purposes by the Metropolitan Water
3 Reclamation District of Greater Chicago under Section 12 of the
4 Metropolitan Water Reclamation District Act; (i) made for
5 payments of principal and interest on limited bonds, as defined
6 in Section 3 of the Local Government Debt Reform Act, in an
7 amount not to exceed the debt service extension base less the
8 amount in items (b), (c), and (e) of this definition for
9 non-referendum obligations, except obligations initially
10 issued pursuant to referendum and bonds described in subsection
11 (h) of this definition; (j) made for payments of principal and
12 interest on bonds issued under Section 15 of the Local
13 Government Debt Reform Act; (k) made for payments of principal
14 and interest on bonds authorized by Public Act 88-503 and
15 issued under Section 20a of the Chicago Park District Act for
16 aquarium or museum projects; (l) made for payments of principal
17 and interest on bonds authorized by Public Act 87-1191 or
18 93-601 and (i) issued pursuant to Section 21.2 of the Cook
19 County Forest Preserve District Act, (ii) issued under Section
20 42 of the Cook County Forest Preserve District Act for
21 zoological park projects, or (iii) issued under Section 44.1 of
22 the Cook County Forest Preserve District Act for botanical
23 gardens projects; (m) made pursuant to Section 34-53.5 of the
24 School Code, whether levied annually or not; (n) made to fund
25 expenses of providing joint recreational programs for the
26 handicapped under Section 5-8 of the Park District Code or

1 Section 11-95-14 of the Illinois Municipal Code; (o) made by
2 the Chicago Park District for recreational programs for the
3 handicapped under subsection (c) of Section 7.06 of the Chicago
4 Park District Act; (p) made for contributions to a
5 firefighter's pension fund created under Article 4 of the
6 Illinois Pension Code, to the extent of the amount certified
7 under item (5) of Section 4-134 of the Illinois Pension Code;
8 and (q) made by Ford Heights School District 169 under Section
9 17-9.02 of the School Code.

10 "Aggregate extension" for all taxing districts to which
11 this Law applies in accordance with Section 18-213, except for
12 those taxing districts subject to paragraph (2) of subsection
13 (e) of Section 18-213, means the annual corporate extension for
14 the taxing district and those special purpose extensions that
15 are made annually for the taxing district, excluding special
16 purpose extensions: (a) made for the taxing district to pay
17 interest or principal on general obligation bonds that were
18 approved by referendum; (b) made for any taxing district to pay
19 interest or principal on general obligation bonds issued before
20 the date on which the referendum making this Law applicable to
21 the taxing district is held; (c) made for any taxing district
22 to pay interest or principal on bonds issued to refund or
23 continue to refund those bonds issued before the date on which
24 the referendum making this Law applicable to the taxing
25 district is held; (d) made for any taxing district to pay
26 interest or principal on bonds issued to refund or continue to

1 refund bonds issued after the date on which the referendum
2 making this Law applicable to the taxing district is held if
3 the bonds were approved by referendum after the date on which
4 the referendum making this Law applicable to the taxing
5 district is held; (e) made for any taxing district to pay
6 interest or principal on revenue bonds issued before the date
7 on which the referendum making this Law applicable to the
8 taxing district is held for payment of which a property tax
9 levy or the full faith and credit of the unit of local
10 government is pledged; however, a tax for the payment of
11 interest or principal on those bonds shall be made only after
12 the governing body of the unit of local government finds that
13 all other sources for payment are insufficient to make those
14 payments; (f) made for payments under a building commission
15 lease when the lease payments are for the retirement of bonds
16 issued by the commission before the date on which the
17 referendum making this Law applicable to the taxing district is
18 held to pay for the building project; (g) made for payments due
19 under installment contracts entered into before the date on
20 which the referendum making this Law applicable to the taxing
21 district is held; (h) made for payments of principal and
22 interest on limited bonds, as defined in Section 3 of the Local
23 Government Debt Reform Act, in an amount not to exceed the debt
24 service extension base less the amount in items (b), (c), and
25 (e) of this definition for non-referendum obligations, except
26 obligations initially issued pursuant to referendum; (i) made

1 for payments of principal and interest on bonds issued under
2 Section 15 of the Local Government Debt Reform Act; (j) made
3 for a qualified airport authority to pay interest or principal
4 on general obligation bonds issued for the purpose of paying
5 obligations due under, or financing airport facilities
6 required to be acquired, constructed, installed or equipped
7 pursuant to, contracts entered into before March 1, 1996 (but
8 not including any amendments to such a contract taking effect
9 on or after that date); (k) made to fund expenses of providing
10 joint recreational programs for the handicapped under Section
11 5-8 of the Park District Code or Section 11-95-14 of the
12 Illinois Municipal Code; (l) made for contributions to a
13 firefighter's pension fund created under Article 4 of the
14 Illinois Pension Code, to the extent of the amount certified
15 under item (5) of Section 4-134 of the Illinois Pension Code;
16 and (m) made for the taxing district to pay interest or
17 principal on general obligation bonds issued pursuant to
18 Section 19-3.10 of the School Code.

19 "Aggregate extension" for all taxing districts to which
20 this Law applies in accordance with paragraph (2) of subsection
21 (e) of Section 18-213 means the annual corporate extension for
22 the taxing district and those special purpose extensions that
23 are made annually for the taxing district, excluding special
24 purpose extensions: (a) made for the taxing district to pay
25 interest or principal on general obligation bonds that were
26 approved by referendum; (b) made for any taxing district to pay

1 interest or principal on general obligation bonds issued before
2 the effective date of this amendatory Act of 1997; (c) made for
3 any taxing district to pay interest or principal on bonds
4 issued to refund or continue to refund those bonds issued
5 before the effective date of this amendatory Act of 1997; (d)
6 made for any taxing district to pay interest or principal on
7 bonds issued to refund or continue to refund bonds issued after
8 the effective date of this amendatory Act of 1997 if the bonds
9 were approved by referendum after the effective date of this
10 amendatory Act of 1997; (e) made for any taxing district to pay
11 interest or principal on revenue bonds issued before the
12 effective date of this amendatory Act of 1997 for payment of
13 which a property tax levy or the full faith and credit of the
14 unit of local government is pledged; however, a tax for the
15 payment of interest or principal on those bonds shall be made
16 only after the governing body of the unit of local government
17 finds that all other sources for payment are insufficient to
18 make those payments; (f) made for payments under a building
19 commission lease when the lease payments are for the retirement
20 of bonds issued by the commission before the effective date of
21 this amendatory Act of 1997 to pay for the building project;
22 (g) made for payments due under installment contracts entered
23 into before the effective date of this amendatory Act of 1997;
24 (h) made for payments of principal and interest on limited
25 bonds, as defined in Section 3 of the Local Government Debt
26 Reform Act, in an amount not to exceed the debt service

1 extension base less the amount in items (b), (c), and (e) of
2 this definition for non-referendum obligations, except
3 obligations initially issued pursuant to referendum; (i) made
4 for payments of principal and interest on bonds issued under
5 Section 15 of the Local Government Debt Reform Act; (j) made
6 for a qualified airport authority to pay interest or principal
7 on general obligation bonds issued for the purpose of paying
8 obligations due under, or financing airport facilities
9 required to be acquired, constructed, installed or equipped
10 pursuant to, contracts entered into before March 1, 1996 (but
11 not including any amendments to such a contract taking effect
12 on or after that date); (k) made to fund expenses of providing
13 joint recreational programs for the handicapped under Section
14 5-8 of the Park District Code or Section 11-95-14 of the
15 Illinois Municipal Code; and (l) made for contributions to a
16 firefighter's pension fund created under Article 4 of the
17 Illinois Pension Code, to the extent of the amount certified
18 under item (5) of Section 4-134 of the Illinois Pension Code.

19 "Debt service extension base" means an amount equal to that
20 portion of the extension for a taxing district for the 1994
21 levy year, or for those taxing districts subject to this Law in
22 accordance with Section 18-213, except for those subject to
23 paragraph (2) of subsection (e) of Section 18-213, for the levy
24 year in which the referendum making this Law applicable to the
25 taxing district is held, or for those taxing districts subject
26 to this Law in accordance with paragraph (2) of subsection (e)

1 of Section 18-213 for the 1996 levy year, constituting an
2 extension for payment of principal and interest on bonds issued
3 by the taxing district without referendum, but not including
4 excluded non-referendum bonds. For park districts (i) that were
5 first subject to this Law in 1991 or 1995 and (ii) whose
6 extension for the 1994 levy year for the payment of principal
7 and interest on bonds issued by the park district without
8 referendum (but not including excluded non-referendum bonds)
9 was less than 51% of the amount for the 1991 levy year
10 constituting an extension for payment of principal and interest
11 on bonds issued by the park district without referendum (but
12 not including excluded non-referendum bonds), "debt service
13 extension base" means an amount equal to that portion of the
14 extension for the 1991 levy year constituting an extension for
15 payment of principal and interest on bonds issued by the park
16 district without referendum (but not including excluded
17 non-referendum bonds). A debt service extension base
18 established or increased at any time pursuant to any provision
19 of this Law, except Section 18-212, shall be increased each
20 year commencing with the later of (i) the 2009 levy year or
21 (ii) the first levy year in which this Law becomes applicable
22 to the taxing district, by the lesser of 5% or the percentage
23 increase in the Consumer Price Index during the 12-month
24 calendar year preceding the levy year. The debt service
25 extension base may be established or increased as provided
26 under Section 18-212. "Excluded non-referendum bonds" means

1 (i) bonds authorized by Public Act 88-503 and issued under
2 Section 20a of the Chicago Park District Act for aquarium and
3 museum projects; (ii) bonds issued under Section 15 of the
4 Local Government Debt Reform Act; or (iii) refunding
5 obligations issued to refund or to continue to refund
6 obligations initially issued pursuant to referendum.

7 "Special purpose extensions" include, but are not limited
8 to, extensions for levies made on an annual basis for
9 unemployment and workers' compensation, self-insurance,
10 contributions to pension plans, and extensions made pursuant to
11 Section 6-601 of the Illinois Highway Code for a road
12 district's permanent road fund whether levied annually or not.
13 The extension for a special service area is not included in the
14 aggregate extension.

15 "Aggregate extension base" means the taxing district's
16 last preceding aggregate extension as adjusted under Sections
17 18-135, 18-215, and 18-230. An adjustment under Section 18-135
18 shall be made for the 2007 levy year and all subsequent levy
19 years whenever one or more counties within which a taxing
20 district is located (i) used estimated valuations or rates when
21 extending taxes in the taxing district for the last preceding
22 levy year that resulted in the over or under extension of
23 taxes, or (ii) increased or decreased the tax extension for the
24 last preceding levy year as required by Section 18-135(c).
25 Whenever an adjustment is required under Section 18-135, the
26 aggregate extension base of the taxing district shall be equal

1 to the amount that the aggregate extension of the taxing
2 district would have been for the last preceding levy year if
3 either or both (i) actual, rather than estimated, valuations or
4 rates had been used to calculate the extension of taxes for the
5 last levy year, or (ii) the tax extension for the last
6 preceding levy year had not been adjusted as required by
7 subsection (c) of Section 18-135.

8 "Levy year" has the same meaning as "year" under Section
9 1-155.

10 "New property" means (i) the assessed value, after final
11 board of review or board of appeals action, of new improvements
12 or additions to existing improvements on any parcel of real
13 property that increase the assessed value of that real property
14 during the levy year multiplied by the equalization factor
15 issued by the Department under Section 17-30, (ii) the assessed
16 value, after final board of review or board of appeals action,
17 of real property not exempt from real estate taxation, which
18 real property was exempt from real estate taxation for any
19 portion of the immediately preceding levy year, multiplied by
20 the equalization factor issued by the Department under Section
21 17-30, including the assessed value, upon final stabilization
22 of occupancy after new construction is complete, of any real
23 property located within the boundaries of an otherwise or
24 previously exempt military reservation that is intended for
25 residential use and owned by or leased to a private corporation
26 or other entity, and (iii) in counties that classify in

1 accordance with Section 4 of Article IX of the Illinois
2 Constitution, an incentive property's additional assessed
3 value resulting from a scheduled increase in the level of
4 assessment as applied to the first year final board of review
5 market value. In addition, the county clerk in a county
6 containing a population of 3,000,000 or more shall include in
7 the 1997 recovered tax increment value for any school district,
8 any recovered tax increment value that was applicable to the
9 1995 tax year calculations.

10 "Qualified airport authority" means an airport authority
11 organized under the Airport Authorities Act and located in a
12 county bordering on the State of Wisconsin and having a
13 population in excess of 200,000 and not greater than 500,000.

14 "Recovered tax increment value" means, except as otherwise
15 provided in this paragraph, the amount of the current year's
16 equalized assessed value, in the first year after a
17 municipality terminates the designation of an area as a
18 redevelopment project area previously established under the
19 Tax Increment Allocation Development Act in the Illinois
20 Municipal Code, previously established under the Industrial
21 Jobs Recovery Law in the Illinois Municipal Code, previously
22 established under the Economic Development Project Area Tax
23 Increment Act of 1995, or previously established under the
24 Economic Development Area Tax Increment Allocation Act, of each
25 taxable lot, block, tract, or parcel of real property in the
26 redevelopment project area over and above the initial equalized

1 assessed value of each property in the redevelopment project
2 area. For the taxes which are extended for the 1997 levy year,
3 the recovered tax increment value for a non-home rule taxing
4 district that first became subject to this Law for the 1995
5 levy year because a majority of its 1994 equalized assessed
6 value was in an affected county or counties shall be increased
7 if a municipality terminated the designation of an area in 1993
8 as a redevelopment project area previously established under
9 the Tax Increment Allocation Development Act in the Illinois
10 Municipal Code, previously established under the Industrial
11 Jobs Recovery Law in the Illinois Municipal Code, or previously
12 established under the Economic Development Area Tax Increment
13 Allocation Act, by an amount equal to the 1994 equalized
14 assessed value of each taxable lot, block, tract, or parcel of
15 real property in the redevelopment project area over and above
16 the initial equalized assessed value of each property in the
17 redevelopment project area. In the first year after a
18 municipality removes a taxable lot, block, tract, or parcel of
19 real property from a redevelopment project area established
20 under the Tax Increment Allocation Development Act in the
21 Illinois Municipal Code, the Industrial Jobs Recovery Law in
22 the Illinois Municipal Code, or the Economic Development Area
23 Tax Increment Allocation Act, "recovered tax increment value"
24 means the amount of the current year's equalized assessed value
25 of each taxable lot, block, tract, or parcel of real property
26 removed from the redevelopment project area over and above the

1 initial equalized assessed value of that real property before
2 removal from the redevelopment project area.

3 Except as otherwise provided in this Section, "limiting
4 rate" means a fraction the numerator of which is the last
5 preceding aggregate extension base times an amount equal to one
6 plus the extension limitation defined in this Section and the
7 denominator of which is the current year's equalized assessed
8 value of all real property in the territory under the
9 jurisdiction of the taxing district during the prior levy year.
10 If an increase in the district's aggregate extension has been
11 approved by referendum on or after January 1, 2014, then, for
12 the year for which the increase has been approved, the limiting
13 rate for that district shall be a fraction, the numerator of
14 which is the sum of (i) the last preceding aggregate extension
15 base times an amount equal to one plus the extension limitation
16 and (ii) the amount of the increase approved by referendum
17 under Section 18-190.3 of this Act, and the denominator of
18 which is the current year's equalized assessed value of all
19 real property in the territory under the jurisdiction of the
20 taxing district during the prior levy year. For those taxing
21 districts that reduced their aggregate extension for the last
22 preceding levy year, the highest aggregate extension in any of
23 the last 3 preceding levy years shall be used for the purpose
24 of computing the limiting rate. The denominator shall not
25 include new property or the recovered tax increment value. If a
26 new rate, a rate decrease, or a limiting rate increase has been

1 approved at an election held after March 21, 2006, then (i) the
2 otherwise applicable limiting rate shall be increased by the
3 amount of the new rate or shall be reduced by the amount of the
4 rate decrease, as the case may be, or (ii) in the case of a
5 limiting rate increase, the limiting rate shall be equal to the
6 rate set forth in the proposition approved by the voters for
7 each of the years specified in the proposition, after which the
8 limiting rate of the taxing district shall be calculated as
9 otherwise provided.

10 (Source: P.A. 96-501, eff. 8-14-09; 96-517, eff. 8-14-09;
11 96-1000, eff. 7-2-10; 96-1202, eff. 7-22-10; 97-611, eff.
12 1-1-12.)

13 (35 ILCS 200/18-190)

14 Sec. 18-190. Direct referendum; new rate or increased
15 limiting rate.

16 (a) If a new rate is authorized by statute to be imposed
17 without referendum or is subject to a backdoor referendum, as
18 defined in Section 28-2 of the Election Code, the governing
19 body of the affected taxing district before levying the new
20 rate shall submit the new rate to direct referendum under the
21 provisions of this Section and of Article 28 of the Election
22 Code. Notwithstanding the provisions, requirements, or
23 limitations of any other law, any tax levied for the 2005 levy
24 year and all subsequent levy years by any taxing district
25 subject to this Law may be extended at a rate exceeding the

1 rate established for that tax by referendum or statute,
2 provided that the rate does not exceed the statutory ceiling
3 above which the tax is not authorized to be further increased
4 either by referendum or in any other manner. Notwithstanding
5 the provisions, requirements, or limitations of any other law,
6 all taxing districts subject to this Law shall follow the
7 provisions of this Section whenever seeking referenda approval
8 after March 21, 2006 to (i) levy a new tax rate authorized by
9 statute or (ii) increase the limiting rate applicable to the
10 taxing district. Notwithstanding any other provision of law, no
11 referendum to increase a limiting rate may be submitted to the
12 voters on or after January 1, 2014. All taxing districts
13 subject to this Law are authorized to seek referendum approval
14 of each proposition described and set forth in this Section.

15 The proposition seeking to obtain referendum approval to
16 levy a new tax rate as authorized in clause (i) shall be in
17 substantially the following form:

18 Shall ... (insert legal name, number, if any, and
19 county or counties of taxing district and geographic or
20 other common name by which a school or community college
21 district is known and referred to), Illinois, be authorized
22 to levy a new tax for ... purposes and have an additional
23 tax of ...% of the equalized assessed value of the taxable
24 property therein extended for such purposes?

25 The votes must be recorded as "Yes" or "No".

26 The proposition seeking to obtain referendum approval to

1 increase the limiting rate as authorized in clause (ii) shall
2 be in substantially the following form:

3 Shall the limiting rate under the Property Tax
4 Extension Limitation Law for ... (insert legal name,
5 number, if any, and county or counties of taxing district
6 and geographic or other common name by which a school or
7 community college district is known and referred to),
8 Illinois, be increased by an additional amount equal to
9 ...% above the limiting rate for the purpose of...(insert
10 purpose) for levy year ... (insert the most recent levy
11 year for which the limiting rate of the taxing district is
12 known at the time the submission of the proposition is
13 initiated by the taxing district) and be equal to ...% of
14 the equalized assessed value of the taxable property
15 therein for levy year(s) (insert each levy year for which
16 the increase will be applicable, which years must be
17 consecutive and may not exceed 4)?

18 The votes must be recorded as "Yes" or "No".

19 The ballot for any proposition submitted pursuant to this
20 Section shall have printed thereon, but not as a part of the
21 proposition submitted, only the following supplemental
22 information (which shall be supplied to the election authority
23 by the taxing district) in substantially the following form:

24 (1) The approximate amount of taxes extendable at the
25 most recently extended limiting rate is \$..., and the
26 approximate amount of taxes extendable if the proposition

1 is approved is \$....

2 (2) For the ... (insert the first levy year for which
3 the new rate or increased limiting rate will be applicable)
4 levy year the approximate amount of the additional tax
5 extendable against property containing a single family
6 residence and having a fair market value at the time of the
7 referendum of \$100,000 is estimated to be \$....

8 (3) Based upon an average annual percentage increase
9 (or decrease) in the market value of such property of %...
10 (insert percentage equal to the average annual percentage
11 increase or decrease for the prior 3 levy years, at the
12 time the submission of the proposition is initiated by the
13 taxing district, in the amount of (A) the equalized
14 assessed value of the taxable property in the taxing
15 district less (B) the new property included in the
16 equalized assessed value), the approximate amount of the
17 additional tax extendable against such property for the ...
18 levy year is estimated to be \$... and for the ... levy year
19 is estimated to be \$

20 (4) If the proposition is approved, the aggregate
21 extension for ... (insert each levy year for which the
22 increase will apply) will be determined by the limiting
23 rate set forth in the proposition, rather than the
24 otherwise applicable limiting rate calculated under the
25 provisions of the Property Tax Extension Limitation Law
26 (commonly known as the Property Tax Cap Law).

1 The approximate amount of taxes extendable shown in paragraph
2 (1) shall be computed upon the last known equalized assessed
3 value of taxable property in the taxing district (at the time
4 the submission of the proposition is initiated by the taxing
5 district). Paragraph (3) shall be included only if the
6 increased limiting rate will be applicable for more than one
7 levy year and shall list each levy year for which the increased
8 limiting rate will be applicable. The additional tax shown for
9 each levy year shall be the approximate dollar amount of the
10 increase over the amount of the most recently completed
11 extension at the time the submission of the proposition is
12 initiated by the taxing district. The approximate amount of the
13 additional taxes extendable shown in paragraphs (2) and (3)
14 shall be calculated by multiplying \$100,000 (the fair market
15 value of the property without regard to any property tax
16 exemptions) by (i) the percentage level of assessment
17 prescribed for that property by statute, or by ordinance of the
18 county board in counties that classify property for purposes of
19 taxation in accordance with Section 4 of Article IX of the
20 Illinois Constitution; (ii) the most recent final equalization
21 factor certified to the county clerk by the Department of
22 Revenue at the time the taxing district initiates the
23 submission of the proposition to the electors; and (iii) either
24 the new rate or the amount by which the limiting rate is to be
25 increased. This amendatory Act of the 97th General Assembly is
26 intended to clarify the existing requirements of this Section,

1 and shall not be construed to validate any prior non-compliant
2 referendum language. Paragraph (4) shall be included if the
3 proposition concerns a limiting rate increase but shall not be
4 included if the proposition concerns a new rate. Any notice
5 required to be published in connection with the submission of
6 the proposition shall also contain this supplemental
7 information and shall not contain any other supplemental
8 information regarding the proposition. Any error,
9 miscalculation, or inaccuracy in computing any amount set forth
10 on the ballot and in the notice that is not deliberate shall
11 not invalidate or affect the validity of any proposition
12 approved. Notice of the referendum shall be published and
13 posted as otherwise required by law, and the submission of the
14 proposition shall be initiated as provided by law.

15 If a majority of all ballots cast on the proposition are in
16 favor of the proposition, the following provisions shall be
17 applicable to the extension of taxes for the taxing district:

18 (A) a new tax rate shall be first effective for the
19 levy year in which the new rate is approved;

20 (B) if the proposition provides for a new tax rate, the
21 taxing district is authorized to levy a tax after the
22 canvass of the results of the referendum by the election
23 authority for the purposes for which the tax is authorized;

24 (C) a limiting rate increase shall be first effective
25 for the levy year in which the limiting rate increase is
26 approved, provided that the taxing district may elect to

1 have a limiting rate increase be effective for the levy
2 year prior to the levy year in which the limiting rate
3 increase is approved unless the extension of taxes for the
4 prior levy year occurs 30 days or less after the canvass of
5 the results of the referendum by the election authority in
6 any county in which the taxing district is located;

7 (D) in order for the limiting rate increase to be first
8 effective for the levy year prior to the levy year of the
9 referendum, the taxing district must certify its election
10 to have the limiting rate increase be effective for the
11 prior levy year to the clerk of each county in which the
12 taxing district is located not more than 2 days after the
13 date the results of the referendum are canvassed by the
14 election authority; and

15 (E) if the proposition provides for a limiting rate
16 increase, the increase may be effective regardless of
17 whether the proposition is approved before or after the
18 taxing district adopts or files its levy for any levy year.

19 Rates required to extend taxes on levies subject to a
20 backdoor referendum in each year there is a levy are not new
21 rates or rate increases under this Section if a levy has been
22 made for the fund in one or more of the preceding 3 levy years.
23 Changes made by this amendatory Act of 1997 to this Section in
24 reference to rates required to extend taxes on levies subject
25 to a backdoor referendum in each year there is a levy are
26 declarative of existing law and not a new enactment.

1 (b) Whenever other applicable law authorizes a taxing
2 district subject to the limitation with respect to its
3 aggregate extension provided for in this Law to issue bonds or
4 other obligations either without referendum or subject to
5 backdoor referendum, the taxing district may elect for each
6 separate bond issuance to submit the question of the issuance
7 of the bonds or obligations directly to the voters of the
8 taxing district, and if the referendum passes the taxing
9 district is not required to comply with any backdoor referendum
10 procedures or requirements set forth in the other applicable
11 law. The direct referendum shall be initiated by ordinance or
12 resolution of the governing body of the taxing district, and
13 the question shall be certified to the proper election
14 authorities in accordance with the provisions of the Election
15 Code.

16 (Source: P.A. 96-764, eff. 8-25-09; 97-1087, eff. 8-24-12.)

17 (35 ILCS 200/18-190.3 new)

18 Sec. 18-190.3. Direct referendum; increased aggregate
19 extension. Notwithstanding the provisions, requirements, or
20 limitations of any other law, all taxing districts subject to
21 this Law shall follow the provisions of this Section whenever
22 seeking referenda approval after January 1, 2014 to increase
23 the aggregate extension applicable to the taxing district.

24 The proposition seeking to obtain referendum approval to
25 increase the aggregate extension shall be in substantially the

1 following form:

2 "Shall the aggregate extension under the Property Tax
3 Extension Limitation Law for...(insert legal name, number,
4 if any, and county or counties of taxing district and
5 geographic or other common name by which a school or
6 community college district is known and referred to),
7 Illinois, be increased by \$X,XXX,XXX for the purpose
8 of...(insert purpose) for levy year...(insert the levy
9 year for which the increase will take effect)?"

10 The votes must be recorded as "Yes" or "No".

11 The ballot for any proposition submitted pursuant to this
12 Section shall have printed thereon, but not as a part of the
13 proposition submitted, only the following supplemental
14 information (which shall be supplied to the election authority
15 by the taxing district) in substantially the following form:

16 "(1) The amount of taxes extended at the (insert the
17 most recent levy year) was (insert amount), and the
18 approximate amount of taxes extendable if the proposition
19 is approved is (insert amount).

20 (2) For the...(insert levy year for which the increase
21 will be applicable) levy year the approximate amount of the
22 additional tax extendable against property containing a
23 single family residence and having a fair market value at
24 the time of the referendum of \$100,000 is estimated to be
25 (insert amount)."

26 The approximate amount of the additional taxes extendable

1 shown in paragraph (2) shall be calculated by multiplying
2 \$100,000 (the fair market value of the property without regard
3 to any property tax exemptions) by (i) the percentage level of
4 assessment prescribed for that property by statute, or by
5 ordinance of the county board in counties that classify
6 property for purposes of taxation in accordance with Section 4
7 of Article IX of the Illinois Constitution; (ii) the most
8 recent final equalization factor certified to the county clerk
9 by the Department of Revenue at the time the taxing district
10 initiates the submission of the proposition to the electors;
11 and (iii) the increase in the aggregate extension proposed in
12 the question; and dividing the result by the last known
13 equalized assessed value of the taxing district at the time the
14 submission of the question is initiated by the taxing district.
15 Any notice required to be published in connection with the
16 submission of the proposition shall also contain this
17 supplemental information and shall not contain any other
18 supplemental information regarding the proposition. Any error,
19 miscalculation, or inaccuracy in computing any amount set forth
20 on the ballot and in the notice that is not deliberate shall
21 not invalidate or affect the validity of any proposition
22 approved. Notice of the referendum shall be published and
23 posted as otherwise required by law, and the submission of the
24 proposition shall be initiated as provided by law.

25 If a majority of all ballots cast on the proposition are in
26 favor of the proposition, then the district may increase its

1 aggregate extension as provided in the referendum.

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