

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 18-155 and by adding Section 18-156 as follows:

6 (35 ILCS 200/18-155)

7 Sec. 18-155. Apportionment of taxes for district in two or
8 more counties. The burden of taxation of property in taxing
9 districts that lie in more than one county shall be fairly
10 apportioned as provided in Article IX, Section 7, of the
11 Constitution of 1970.

12 The Department may, and on written request made before July
13 1 to the Department shall, proceed to apportion the tax burden.
14 The request may be made only by an assessor, chief county
15 assessment officer, Board of Review, Board of Appeals,
16 overlapping taxing district or 25 or more interested taxpayers.
17 The request shall specify one or more taxing districts in the
18 county which lie in one or more other specified counties, and
19 also specify the civil townships, if any, in which the
20 overlapping taxing districts lie. When the Department has
21 received a written request for equalization for overlapping tax
22 districts as provided in this Section, the Department shall
23 promptly notify the county clerk and county treasurer of each

1 county affected by that request that tax bills with respect to
2 property in the parts of the county which are affected by the
3 request may not be prepared or mailed until the Department
4 certifies the apportionment among counties of the taxing
5 districts' levies, except as provided in subsection (c) of this
6 Section. To apportion, the Department shall:

7 (a) On or before December 31 of that year cause an
8 assessment ratio study to be made in each township in which
9 each of the named overlapping taxing districts lies, using
10 equalized assessed values as certified by the county clerk, and
11 an analysis of property transfers prior to January 1 of that
12 year. The property transfers shall be in an amount deemed
13 reasonable and proper by the Department. The Department may
14 conduct hearings, at which the evidence shall be limited to the
15 written presentation of assessment ratio study data.

16 (b) Request from the County Clerk in each County in which
17 the overlapping taxing districts lie, certification of the
18 portion of the assessed value of the prior year for each
19 overlapping taxing district's portion of each township.
20 Beginning with the 1999 taxable year, for those counties that
21 classify property by county ordinance pursuant to subsection
22 (b) of Section 4 of Article IX of the Illinois Constitution,
23 the certification shall be listed by property class as provided
24 in the classification ordinance. The clerk shall return the
25 certification within 30 days of receipt of the request.

26 (c) Use the township assessment ratio studies to apportion

1 the amount to be raised by taxation upon property within the
2 district so that each county in which the district lies bears
3 that burden of taxation as though all parts of the overlapping
4 taxing district had been assessed at the same proportion of
5 actual value. The Department shall certify to each County
6 Clerk, by March 15, the percent of burden. Except as provided
7 below, the County Clerk shall apply the percentage to the
8 extension as provided in Section 18-45 to determine the amount
9 of tax to be raised in the county.

10 If the Department does not certify the percent of burden in
11 the time prescribed, the county clerk shall use the most recent
12 prior certification to determine the amount of tax to be raised
13 in the county.

14 If the use of a prior certified percentage results in over
15 or under extension for the overlapping taxing district in the
16 county using same, the county clerk shall make appropriate
17 adjustments in the subsequent year, except as provided by
18 Section 18-156. Any adjustments necessitated by the procedure
19 authorized by this Section shall be made by increasing or
20 decreasing the tax extension by fund for each taxing district
21 where a prior certified percentage was used. No tax rate limit
22 shall render any part of a tax levy illegally excessive which
23 has been apportioned as herein provided. The percentages
24 certified by the Department shall remain until changed by
25 reason of another assessment ratio study made under this
26 Section.

1 To determine whether an overlapping district has met any
2 qualifying rate prescribed by law for eligibility for State
3 aid, the tax rate of the district shall be considered to be
4 that rate which would have produced the same amount of revenue
5 had the taxes of the district been extended at a uniform rate
6 throughout the district, even if by application of this Section
7 the actual rate of extension in a portion of the district is
8 less than the qualifying rate.

9 (Source: P.A. 90-594, eff. 6-24-98.)

10 (35 ILCS 200/18-156 new)

11 Sec. 18-156. Correction of apportionment of taxes for a
12 district in 2 or more counties.

13 (a) Definitions. For the purposes of this Section, these
14 definitions shall apply:

15 "Apportioned property tax levy" means the total property
16 tax extension of a taxing district in one or more counties that
17 has been apportioned by the Department pursuant to Section
18 18-155.

19 "Over-apportionment" means that any single county's share
20 of an apportioned property tax levy is subsequently determined
21 to exceed 105% of what that county's share should have been.

22 (b) If, subsequent to the calculation of an apportioned
23 property tax levy, the Department determines that an
24 over-apportionment has taken place, the Department shall
25 notify the county clerk and county treasurer of each county

1 affected by the incorrect apportionment and shall provide those
2 county clerks and county treasurers with correct apportionment
3 data.

4 (c) If the notification under this Section is made prior to
5 the due date of the final installment of property tax payments
6 for that taxable year, the county treasurer of a county where
7 an over-apportionment has taken place may, at the treasurer's
8 sole discretion, issue a refund of the over-apportioned amount
9 by either a reduced final installment, a refund of taxes paid,
10 or both, to each taxpayer who is entitled to a refund because
11 of the over-apportionment. Additionally, if the treasurer of
12 the county where an over-apportionment has taken place issues a
13 refund under this subsection, the county treasurer of each
14 other county affected by the incorrect apportionment shall
15 issue a corrected final installment or an additional bill for
16 the amount owed as a result of the under-apportionment of that
17 county's share of the property tax levy to each taxpayer whose
18 taxes were underpaid as a result of the apportionment error.

19 (d) Any refund issued under subsection (c) due to any
20 over-apportionment may be made from funds held by the county
21 treasurer for the specific taxing district that was the subject
22 of the over-apportionment; once those funds have been disbursed
23 to the taxing districts, the authority of the county treasurer
24 to issue refunds under subsection (c) ends.

25 (e) This Section applies for taxable year 2015 and
26 thereafter.

1 Section 10. The Uniform Penalty and Interest Act is amended
2 by changing Section 3-3 as follows:

3 (35 ILCS 735/3-3) (from Ch. 120, par. 2603-3)

4 Sec. 3-3. Penalty for failure to file or pay.

5 (a) This subsection (a) is applicable before January 1,
6 1996. A penalty of 5% of the tax required to be shown due on a
7 return shall be imposed for failure to file the tax return on
8 or before the due date prescribed for filing determined with
9 regard for any extension of time for filing (penalty for late
10 filing or nonfiling). If any unprocessable return is corrected
11 and filed within 21 days after notice by the Department, the
12 late filing or nonfiling penalty shall not apply. If a penalty
13 for late filing or nonfiling is imposed in addition to a
14 penalty for late payment, the total penalty due shall be the
15 sum of the late filing penalty and the applicable late payment
16 penalty. Beginning on the effective date of this amendatory Act
17 of 1995, in the case of any type of tax return required to be
18 filed more frequently than annually, when the failure to file
19 the tax return on or before the date prescribed for filing
20 (including any extensions) is shown to be nonfraudulent and has
21 not occurred in the 2 years immediately preceding the failure
22 to file on the prescribed due date, the penalty imposed by
23 Section 3-3(a) shall be abated.

24 (a-5) This subsection (a-5) is applicable to returns due on

1 and after January 1, 1996 and on or before December 31, 2000. A
2 penalty equal to 2% of the tax required to be shown due on a
3 return, up to a maximum amount of \$250, determined without
4 regard to any part of the tax that is paid on time or by any
5 credit that was properly allowable on the date the return was
6 required to be filed, shall be imposed for failure to file the
7 tax return on or before the due date prescribed for filing
8 determined with regard for any extension of time for filing.
9 However, if any return is not filed within 30 days after notice
10 of nonfiling mailed by the Department to the last known address
11 of the taxpayer contained in Department records, an additional
12 penalty amount shall be imposed equal to the greater of \$250 or
13 2% of the tax shown on the return. However, the additional
14 penalty amount may not exceed \$5,000 and is determined without
15 regard to any part of the tax that is paid on time or by any
16 credit that was properly allowable on the date the return was
17 required to be filed (penalty for late filing or nonfiling). If
18 any unprocessable return is corrected and filed within 30 days
19 after notice by the Department, the late filing or nonfiling
20 penalty shall not apply. If a penalty for late filing or
21 nonfiling is imposed in addition to a penalty for late payment,
22 the total penalty due shall be the sum of the late filing
23 penalty and the applicable late payment penalty. In the case of
24 any type of tax return required to be filed more frequently
25 than annually, when the failure to file the tax return on or
26 before the date prescribed for filing (including any

1 extensions) is shown to be nonfraudulent and has not occurred
2 in the 2 years immediately preceding the failure to file on the
3 prescribed due date, the penalty imposed by Section 3-3(a-5)
4 shall be abated.

5 (a-10) This subsection (a-10) is applicable to returns due
6 on and after January 1, 2001. A penalty equal to 2% of the tax
7 required to be shown due on a return, up to a maximum amount of
8 \$250, reduced by any tax that is paid on time or by any credit
9 that was properly allowable on the date the return was required
10 to be filed, shall be imposed for failure to file the tax
11 return on or before the due date prescribed for filing
12 determined with regard for any extension of time for filing.
13 However, if any return is not filed within 30 days after notice
14 of nonfiling mailed by the Department to the last known address
15 of the taxpayer contained in Department records, an additional
16 penalty amount shall be imposed equal to the greater of \$250 or
17 2% of the tax shown on the return. However, the additional
18 penalty amount may not exceed \$5,000 and is determined without
19 regard to any part of the tax that is paid on time or by any
20 credit that was properly allowable on the date the return was
21 required to be filed (penalty for late filing or nonfiling). If
22 any unprocessable return is corrected and filed within 30 days
23 after notice by the Department, the late filing or nonfiling
24 penalty shall not apply. If a penalty for late filing or
25 nonfiling is imposed in addition to a penalty for late payment,
26 the total penalty due shall be the sum of the late filing

1 penalty and the applicable late payment penalty. In the case of
2 any type of tax return required to be filed more frequently
3 than annually, when the failure to file the tax return on or
4 before the date prescribed for filing (including any
5 extensions) is shown to be nonfraudulent and has not occurred
6 in the 2 years immediately preceding the failure to file on the
7 prescribed due date, the penalty imposed by this subsection
8 (a-10) ~~Section 3-3(a-10)~~ shall be abated. This subsection
9 (a-10) does not apply to transaction reporting returns required
10 by Section 3 of the Retailers' Occupation Tax Act and Section 9
11 of the Use Tax Act that would not, when properly prepared and
12 filed, result in the imposition of a tax; however, those
13 returns are subject to the penalty set forth in subsection
14 (a-15).

15 (a-15) ~~A In addition to any other penalties imposed by law~~
16 ~~for the failure to file a return, a~~ penalty of \$100 shall be
17 imposed for failure to file a transaction reporting return
18 required by Section 3 of the Retailers' Occupation Tax Act and
19 Section 9 of the Use Tax Act on or before the date a return is
20 required to be filed; provided, however, that this ~~. This~~
21 penalty shall be imposed only if ~~regardless of whether~~ the
22 return when properly prepared and filed would not result in the
23 imposition of a tax. If such a transaction reporting return
24 would result in the imposition of a tax when properly prepared
25 and filed, then that return is subject to the provisions of
26 subsection (a-10).

1 (b) This subsection is applicable before January 1, 1998. A
2 penalty of 15% of the tax shown on the return or the tax
3 required to be shown due on the return shall be imposed for
4 failure to pay:

5 (1) the tax shown due on the return on or before the
6 due date prescribed for payment of that tax, an amount of
7 underpayment of estimated tax, or an amount that is
8 reported in an amended return other than an amended return
9 timely filed as required by subsection (b) of Section 506
10 of the Illinois Income Tax Act (penalty for late payment or
11 nonpayment of admitted liability); or

12 (2) the full amount of any tax required to be shown due
13 on a return and which is not shown (penalty for late
14 payment or nonpayment of additional liability), within 30
15 days after a notice of arithmetic error, notice and demand,
16 or a final assessment is issued by the Department. In the
17 case of a final assessment arising following a protest and
18 hearing, the 30-day period shall not begin until all
19 proceedings in court for review of the final assessment
20 have terminated or the period for obtaining a review has
21 expired without proceedings for a review having been
22 instituted. In the case of a notice of tax liability that
23 becomes a final assessment without a protest and hearing,
24 the penalty provided in this paragraph (2) shall be imposed
25 at the expiration of the period provided for the filing of
26 a protest.

1 (b-5) This subsection is applicable to returns due on and
2 after January 1, 1998 and on or before December 31, 2000. A
3 penalty of 20% of the tax shown on the return or the tax
4 required to be shown due on the return shall be imposed for
5 failure to pay:

6 (1) the tax shown due on the return on or before the
7 due date prescribed for payment of that tax, an amount of
8 underpayment of estimated tax, or an amount that is
9 reported in an amended return other than an amended return
10 timely filed as required by subsection (b) of Section 506
11 of the Illinois Income Tax Act (penalty for late payment or
12 nonpayment of admitted liability); or

13 (2) the full amount of any tax required to be shown due
14 on a return and which is not shown (penalty for late
15 payment or nonpayment of additional liability), within 30
16 days after a notice of arithmetic error, notice and demand,
17 or a final assessment is issued by the Department. In the
18 case of a final assessment arising following a protest and
19 hearing, the 30-day period shall not begin until all
20 proceedings in court for review of the final assessment
21 have terminated or the period for obtaining a review has
22 expired without proceedings for a review having been
23 instituted. In the case of a notice of tax liability that
24 becomes a final assessment without a protest and hearing,
25 the penalty provided in this paragraph (2) shall be imposed
26 at the expiration of the period provided for the filing of

1 a protest.

2 (b-10) This subsection (b-10) is applicable to returns due
3 on and after January 1, 2001 and on or before December 31,
4 2003. A penalty shall be imposed for failure to pay:

5 (1) the tax shown due on a return on or before the due
6 date prescribed for payment of that tax, an amount of
7 underpayment of estimated tax, or an amount that is
8 reported in an amended return other than an amended return
9 timely filed as required by subsection (b) of Section 506
10 of the Illinois Income Tax Act (penalty for late payment or
11 nonpayment of admitted liability). The amount of penalty
12 imposed under this subsection (b-10) (1) shall be 2% of any
13 amount that is paid no later than 30 days after the due
14 date, 5% of any amount that is paid later than 30 days
15 after the due date and not later than 90 days after the due
16 date, 10% of any amount that is paid later than 90 days
17 after the due date and not later than 180 days after the
18 due date, and 15% of any amount that is paid later than 180
19 days after the due date. If notice and demand is made for
20 the payment of any amount of tax due and if the amount due
21 is paid within 30 days after the date of the notice and
22 demand, then the penalty for late payment or nonpayment of
23 admitted liability under this subsection (b-10) (1) on the
24 amount so paid shall not accrue for the period after the
25 date of the notice and demand.

26 (2) the full amount of any tax required to be shown due

1 on a return and that is not shown (penalty for late payment
2 or nonpayment of additional liability), within 30 days
3 after a notice of arithmetic error, notice and demand, or a
4 final assessment is issued by the Department. In the case
5 of a final assessment arising following a protest and
6 hearing, the 30-day period shall not begin until all
7 proceedings in court for review of the final assessment
8 have terminated or the period for obtaining a review has
9 expired without proceedings for a review having been
10 instituted. The amount of penalty imposed under this
11 subsection (b-10) (2) shall be 20% of any amount that is not
12 paid within the 30-day period. In the case of a notice of
13 tax liability that becomes a final assessment without a
14 protest and hearing, the penalty provided in this
15 subsection (b-10) (2) shall be imposed at the expiration of
16 the period provided for the filing of a protest.

17 (b-15) This subsection (b-15) is applicable to returns due
18 on and after January 1, 2004 and on or before December 31,
19 2004. A penalty shall be imposed for failure to pay the tax
20 shown due or required to be shown due on a return on or before
21 the due date prescribed for payment of that tax, an amount of
22 underpayment of estimated tax, or an amount that is reported in
23 an amended return other than an amended return timely filed as
24 required by subsection (b) of Section 506 of the Illinois
25 Income Tax Act (penalty for late payment or nonpayment of
26 admitted liability). The amount of penalty imposed under this

1 subsection (b-15)(1) shall be 2% of any amount that is paid no
2 later than 30 days after the due date, 10% of any amount that
3 is paid later than 30 days after the due date and not later
4 than 90 days after the due date, 15% of any amount that is paid
5 later than 90 days after the due date and not later than 180
6 days after the due date, and 20% of any amount that is paid
7 later than 180 days after the due date. If notice and demand is
8 made for the payment of any amount of tax due and if the amount
9 due is paid within 30 days after the date of this notice and
10 demand, then the penalty for late payment or nonpayment of
11 admitted liability under this subsection (b-15)(1) on the
12 amount so paid shall not accrue for the period after the date
13 of the notice and demand.

14 (b-20) This subsection (b-20) is applicable to returns due
15 on and after January 1, 2005.

16 (1) A penalty shall be imposed for failure to pay,
17 prior to the due date for payment, any amount of tax the
18 payment of which is required to be made prior to the filing
19 of a return or without a return (penalty for late payment
20 or nonpayment of estimated or accelerated tax). The amount
21 of penalty imposed under this paragraph (1) shall be 2% of
22 any amount that is paid no later than 30 days after the due
23 date and 10% of any amount that is paid later than 30 days
24 after the due date.

25 (2) A penalty shall be imposed for failure to pay the
26 tax shown due or required to be shown due on a return on or

1 before the due date prescribed for payment of that tax or
2 an amount that is reported in an amended return other than
3 an amended return timely filed as required by subsection
4 (b) of Section 506 of the Illinois Income Tax Act (penalty
5 for late payment or nonpayment of tax). The amount of
6 penalty imposed under this paragraph (2) shall be 2% of any
7 amount that is paid no later than 30 days after the due
8 date, 10% of any amount that is paid later than 30 days
9 after the due date and prior to the date the Department has
10 initiated an audit or investigation of the taxpayer, and
11 20% of any amount that is paid after the date the
12 Department has initiated an audit or investigation of the
13 taxpayer; provided that the penalty shall be reduced to 15%
14 if the entire amount due is paid not later than 30 days
15 after the Department has provided the taxpayer with an
16 amended return (following completion of an occupation,
17 use, or excise tax audit) or a form for waiver of
18 restrictions on assessment (following completion of an
19 income tax audit); provided further that the reduction to
20 15% shall be rescinded if the taxpayer makes any claim for
21 refund or credit of the tax, penalties, or interest
22 determined to be due upon audit, except in the case of a
23 claim filed pursuant to subsection (b) of Section 506 of
24 the Illinois Income Tax Act or to claim a carryover of a
25 loss or credit, the availability of which was not
26 determined in the audit. For purposes of this paragraph

1 (2), any overpayment reported on an original return that
2 has been allowed as a refund or credit to the taxpayer
3 shall be deemed to have not been paid on or before the due
4 date for payment and any amount paid under protest pursuant
5 to the provisions of the State Officers and Employees Money
6 Disposition Act shall be deemed to have been paid after the
7 Department has initiated an audit and more than 30 days
8 after the Department has provided the taxpayer with an
9 amended return (following completion of an occupation,
10 use, or excise tax audit) or a form for waiver of
11 restrictions on assessment (following completion of an
12 income tax audit).

13 (3) The penalty imposed under this subsection (b-20)
14 shall be deemed assessed at the time the tax upon which the
15 penalty is computed is assessed, except that, if the
16 reduction of the penalty imposed under paragraph (2) of
17 this subsection (b-20) to 15% is rescinded because a claim
18 for refund or credit has been filed, the increase in
19 penalty shall be deemed assessed at the time the claim for
20 refund or credit is filed.

21 (c) For purposes of the late payment penalties, the basis
22 of the penalty shall be the tax shown or required to be shown
23 on a return, whichever is applicable, reduced by any part of
24 the tax which is paid on time and by any credit which was
25 properly allowable on the date the return was required to be
26 filed.

1 (d) A penalty shall be applied to the tax required to be
2 shown even if that amount is less than the tax shown on the
3 return.

4 (e) This subsection (e) is applicable to returns due before
5 January 1, 2001. If both a subsection (b)(1) or (b-5)(1)
6 penalty and a subsection (b)(2) or (b-5)(2) penalty are
7 assessed against the same return, the subsection (b)(2) or
8 (b-5)(2) penalty shall be assessed against only the additional
9 tax found to be due.

10 (e-5) This subsection (e-5) is applicable to returns due on
11 and after January 1, 2001. If both a subsection (b-10)(1)
12 penalty and a subsection (b-10)(2) penalty are assessed against
13 the same return, the subsection (b-10)(2) penalty shall be
14 assessed against only the additional tax found to be due.

15 (f) If the taxpayer has failed to file the return, the
16 Department shall determine the correct tax according to its
17 best judgment and information, which amount shall be prima
18 facie evidence of the correctness of the tax due.

19 (g) The time within which to file a return or pay an amount
20 of tax due without imposition of a penalty does not extend the
21 time within which to file a protest to a notice of tax
22 liability or a notice of deficiency.

23 (h) No return shall be determined to be unprocessable
24 because of the omission of any information requested on the
25 return pursuant to Section 2505-575 of the Department of
26 Revenue Law (20 ILCS 2505/2505-575).

1 (i) If a taxpayer has a tax liability for the taxable
2 period ending after June 30, 1983 and prior to July 1, 2002
3 that is eligible for amnesty under the Tax Delinquency Amnesty
4 Act and the taxpayer fails to satisfy the tax liability during
5 the amnesty period provided for in that Act for that taxable
6 period, then the penalty imposed by the Department under this
7 Section shall be imposed in an amount that is 200% of the
8 amount that would otherwise be imposed under this Section.

9 (j) If a taxpayer has a tax liability for the taxable
10 period ending after June 30, 2002 and prior to July 1, 2009
11 that is eligible for amnesty under the Tax Delinquency Amnesty
12 Act, except for any tax liability reported pursuant to Section
13 506(b) of the Illinois Income Tax Act (35 ILCS 5/506(b)) that
14 is not final, and the taxpayer fails to satisfy the tax
15 liability during the amnesty period provided for in that Act
16 for that taxable period, then the penalty imposed by the
17 Department under this Section shall be imposed in an amount
18 that is 200% of the amount that would otherwise be imposed
19 under this Section.

20 (Source: P.A. 98-425, eff. 8-16-13.)

21 Section 99. Effective date. This Act takes effect upon
22 becoming law.