



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB5297

Introduced 2/10/2026, by Rep. Nabeela Syed

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-172

Amends the Property Tax Code. Provides that, if an applicant or a member of the applicant's household incurs qualified medical expenses in the taxable year and withdraws moneys from a tax-deferred account to pay those qualified medical expenses, then the applicant may apply to the chief county assessment officer to deduct those amounts from the applicant's household income for the purpose of determining the applicant's eligibility for the low-income senior citizens assessment freeze homestead exemption. Effective immediately.

LRB104 17568 HLH 30996 b

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 15-172 as follows:

6 (35 ILCS 200/15-172)

7 Sec. 15-172. Low-Income Senior Citizens Assessment Freeze
8 Homestead Exemption.

9 (a) This Section may be cited as the Low-Income Senior
10 Citizens Assessment Freeze Homestead Exemption.

11 (b) As used in this Section:

12 "Applicant" means an individual who has filed an
13 application under this Section.

14 "Base amount" means the base year equalized assessed value
15 of the residence plus the first year's equalized assessed
16 value of any added improvements which increased the assessed
17 value of the residence after the base year.

18 "Base year" means the taxable year prior to the taxable
19 year for which the applicant first qualifies and applies for
20 the exemption provided that in the prior taxable year the
21 property was improved with a permanent structure that was
22 occupied as a residence by the applicant who was liable for
23 paying real property taxes on the property and who was either

1 (i) an owner of record of the property or had legal or
2 equitable interest in the property as evidenced by a written
3 instrument or (ii) had a legal or equitable interest as a
4 lessee in the parcel of property that was single family
5 residence. If in any subsequent taxable year for which the
6 applicant applies and qualifies for the exemption the
7 equalized assessed value of the residence is less than the
8 equalized assessed value in the existing base year (provided
9 that such equalized assessed value is not based on an assessed
10 value that results from a temporary irregularity in the
11 property that reduces the assessed value for one or more
12 taxable years), then that subsequent taxable year shall become
13 the base year until a new base year is established under the
14 terms of this paragraph. For taxable year 1999 only, the Chief
15 County Assessment Officer shall review (i) all taxable years
16 for which the applicant applied and qualified for the
17 exemption and (ii) the existing base year. The assessment
18 officer shall select as the new base year the year with the
19 lowest equalized assessed value. An equalized assessed value
20 that is based on an assessed value that results from a
21 temporary irregularity in the property that reduces the
22 assessed value for one or more taxable years shall not be
23 considered the lowest equalized assessed value. The selected
24 year shall be the base year for taxable year 1999 and
25 thereafter until a new base year is established under the
26 terms of this paragraph.

1 "Chief County Assessment Officer" means the County
2 Assessor or Supervisor of Assessments of the county in which
3 the property is located.

4 "Equalized assessed value" means the assessed value as
5 equalized by the Illinois Department of Revenue.

6 "Household" means the applicant, the spouse of the
7 applicant, and all persons using the residence of the
8 applicant as their principal place of residence.

9 "Household income" means the combined income of the
10 members of a household for the calendar year preceding the
11 taxable year. Notwithstanding any other provision of law,
12 beginning in taxable year 2027, if an applicant or a member of
13 the applicant's household incurs qualified medical expenses in
14 the taxable year and withdraws moneys from a tax-deferred
15 account, including, but not limited to, a retirement account
16 or a health savings account, to pay those qualified medical
17 expenses, then the applicant may apply to the chief county
18 assessment officer to deduct those amounts from the
19 applicant's household income for the purpose of determining
20 eligibility for the exemption under this Section.

21 "Income" has the same meaning as provided in Section 3.07
22 of the Senior Citizens and Persons with Disabilities Property
23 Tax Relief Act, except that, beginning in assessment year
24 2001, "income" does not include veteran's benefits.

25 "Internal Revenue Code of 1986" means the United States
26 Internal Revenue Code of 1986 or any successor law or laws

1 relating to federal income taxes in effect for the year
2 preceding the taxable year.

3 "Life care facility that qualifies as a cooperative" means
4 a facility as defined in Section 2 of the Life Care Facilities
5 Act.

6 "Maximum income limitation" means:

- 7 (1) \$35,000 prior to taxable year 1999;
- 8 (2) \$40,000 in taxable years 1999 through 2003;
- 9 (3) \$45,000 in taxable years 2004 through 2005;
- 10 (4) \$50,000 in taxable years 2006 and 2007;
- 11 (5) \$55,000 in taxable years 2008 through 2016;
- 12 (6) for taxable year 2017, (i) \$65,000 for qualified
13 property located in a county with 3,000,000 or more
14 inhabitants and (ii) \$55,000 for qualified property
15 located in a county with fewer than 3,000,000 inhabitants;
- 16 (7) for taxable years 2018 through 2025, \$65,000 for
17 all qualified property;
- 18 (8) for taxable year 2026, \$75,000 for all qualified
19 property;
- 20 (9) for taxable year 2027, \$77,000 for all qualified
21 property; and
- 22 (10) for taxable years 2028 and thereafter, \$79,000
23 for all qualified property.

24 As an alternative income valuation, a homeowner who is
25 enrolled in any of the following programs may be presumed to
26 have household income that does not exceed the maximum income

1 limitation for that tax year as required by this Section: Aid
2 to the Aged, Blind or Disabled (AABD) Program or the
3 Supplemental Nutrition Assistance Program (SNAP), both of
4 which are administered by the Department of Human Services;
5 the Low Income Home Energy Assistance Program (LIHEAP), which
6 is administered by the Department of Commerce and Economic
7 Opportunity; The Benefit Access program, which is administered
8 by the Department on Aging; and the Senior Citizens Real
9 Estate Tax Deferral Program.

10 A chief county assessment officer may indicate that he or
11 she has verified an applicant's income eligibility for this
12 exemption but may not report which program or programs, if
13 any, enroll the applicant. Release of personal information
14 submitted pursuant to this Section shall be deemed an
15 unwarranted invasion of personal privacy under the Freedom of
16 Information Act.

17 "Qualified medical expense" has the meaning given to that
18 term in Section 223 of the Internal Revenue Code.

19 "Residence" means the principal dwelling place and
20 appurtenant structures used for residential purposes in this
21 State occupied on January 1 of the taxable year by a household
22 and so much of the surrounding land, constituting the parcel
23 upon which the dwelling place is situated, as is used for
24 residential purposes. If the Chief County Assessment Officer
25 has established a specific legal description for a portion of
26 property constituting the residence, then that portion of

1 property shall be deemed the residence for the purposes of
2 this Section.

3 "Taxable year" means the calendar year during which ad
4 valorem property taxes payable in the next succeeding year are
5 levied.

6 (c) Beginning in taxable year 1994, a low-income senior
7 citizens assessment freeze homestead exemption is granted for
8 real property that is improved with a permanent structure that
9 is occupied as a residence by an applicant who (i) is 65 years
10 of age or older during the taxable year, (ii) has a household
11 income that does not exceed the maximum income limitation,
12 (iii) is liable for paying real property taxes on the
13 property, and (iv) is an owner of record of the property or has
14 a legal or equitable interest in the property as evidenced by a
15 written instrument. This homestead exemption shall also apply
16 to a leasehold interest in a parcel of property improved with a
17 permanent structure that is a single family residence that is
18 occupied as a residence by a person who (i) is 65 years of age
19 or older during the taxable year, (ii) has a household income
20 that does not exceed the maximum income limitation, (iii) has
21 a legal or equitable ownership interest in the property as
22 lessee, and (iv) is liable for the payment of real property
23 taxes on that property.

24 In counties of 3,000,000 or more inhabitants, the amount
25 of the exemption for all taxable years is the equalized
26 assessed value of the residence in the taxable year for which

1 application is made minus the base amount. In all other
2 counties, the amount of the exemption is as follows: (i)
3 through taxable year 2005 and for taxable year 2007 and
4 thereafter, the amount of this exemption shall be the
5 equalized assessed value of the residence in the taxable year
6 for which application is made minus the base amount; and (ii)
7 for taxable year 2006, the amount of the exemption is as
8 follows:

9 (1) For an applicant who has a household income of
10 \$45,000 or less, the amount of the exemption is the
11 equalized assessed value of the residence in the taxable
12 year for which application is made minus the base amount.

13 (2) For an applicant who has a household income
14 exceeding \$45,000 but not exceeding \$46,250, the amount of
15 the exemption is (i) the equalized assessed value of the
16 residence in the taxable year for which application is
17 made minus the base amount (ii) multiplied by 0.8.

18 (3) For an applicant who has a household income
19 exceeding \$46,250 but not exceeding \$47,500, the amount of
20 the exemption is (i) the equalized assessed value of the
21 residence in the taxable year for which application is
22 made minus the base amount (ii) multiplied by 0.6.

23 (4) For an applicant who has a household income
24 exceeding \$47,500 but not exceeding \$48,750, the amount of
25 the exemption is (i) the equalized assessed value of the
26 residence in the taxable year for which application is

1 made minus the base amount (ii) multiplied by 0.4.

2 (5) For an applicant who has a household income
3 exceeding \$48,750 but not exceeding \$50,000, the amount of
4 the exemption is (i) the equalized assessed value of the
5 residence in the taxable year for which application is
6 made minus the base amount (ii) multiplied by 0.2.

7 When the applicant is a surviving spouse of an applicant
8 for a prior year for the same residence for which an exemption
9 under this Section has been granted, the base year and base
10 amount for that residence are the same as for the applicant for
11 the prior year.

12 Each year at the time the assessment books are certified
13 to the County Clerk, the Board of Review or Board of Appeals
14 shall give to the County Clerk a list of the assessed values of
15 improvements on each parcel qualifying for this exemption that
16 were added after the base year for this parcel and that
17 increased the assessed value of the property.

18 In the case of land improved with an apartment building
19 owned and operated as a cooperative or a building that is a
20 life care facility that qualifies as a cooperative, the
21 maximum reduction from the equalized assessed value of the
22 property is limited to the sum of the reductions calculated
23 for each unit occupied as a residence by a person or persons
24 (i) 65 years of age or older, (ii) with a household income that
25 does not exceed the maximum income limitation, (iii) who is
26 liable, by contract with the owner or owners of record, for

1 paying real property taxes on the property, and (iv) who is an
2 owner of record of a legal or equitable interest in the
3 cooperative apartment building, other than a leasehold
4 interest. In the instance of a cooperative where a homestead
5 exemption has been granted under this Section, the cooperative
6 association or its management firm shall credit the savings
7 resulting from that exemption only to the apportioned tax
8 liability of the owner who qualified for the exemption. Any
9 person who willfully refuses to credit that savings to an
10 owner who qualifies for the exemption is guilty of a Class B
11 misdemeanor.

12 When a homestead exemption has been granted under this
13 Section and an applicant then becomes a resident of a facility
14 licensed under the Assisted Living and Shared Housing Act, the
15 Nursing Home Care Act, the Specialized Mental Health
16 Rehabilitation Act of 2013, the ID/DD Community Care Act, or
17 the MC/DD Act, the exemption shall be granted in subsequent
18 years so long as the residence (i) continues to be occupied by
19 the qualified applicant's spouse or (ii) if remaining
20 unoccupied, is still owned by the qualified applicant for the
21 homestead exemption.

22 Beginning January 1, 1997, when an individual dies who
23 would have qualified for an exemption under this Section, and
24 the surviving spouse does not independently qualify for this
25 exemption because of age, the exemption under this Section
26 shall be granted to the surviving spouse for the taxable year

1 preceding and the taxable year of the death, provided that,
2 except for age, the surviving spouse meets all other
3 qualifications for the granting of this exemption for those
4 years.

5 When married persons maintain separate residences, the
6 exemption provided for in this Section may be claimed by only
7 one of such persons and for only one residence.

8 For taxable year 1994 only, in counties having less than
9 3,000,000 inhabitants, to receive the exemption, a person
10 shall submit an application by February 15, 1995 to the Chief
11 County Assessment Officer of the county in which the property
12 is located. In counties having 3,000,000 or more inhabitants,
13 for taxable year 1994 and all subsequent taxable years, to
14 receive the exemption, a person may submit an application to
15 the Chief County Assessment Officer of the county in which the
16 property is located during such period as may be specified by
17 the Chief County Assessment Officer. The Chief County
18 Assessment Officer in counties of 3,000,000 or more
19 inhabitants shall annually give notice of the application
20 period by mail or by publication. In counties having less than
21 3,000,000 inhabitants, beginning with taxable year 1995 and
22 thereafter, to receive the exemption, a person shall submit an
23 application by July 1 of each taxable year to the Chief County
24 Assessment Officer of the county in which the property is
25 located. A county may, by ordinance, establish a date for
26 submission of applications that is different than July 1. The

1 applicant shall submit with the application an affidavit of
2 the applicant's total household income, age, marital status
3 (and if married the name and address of the applicant's
4 spouse, if known), and principal dwelling place of members of
5 the household on January 1 of the taxable year. The Department
6 shall establish, by rule, a method for verifying the accuracy
7 of affidavits filed by applicants under this Section, and the
8 Chief County Assessment Officer may conduct audits of any
9 taxpayer claiming an exemption under this Section to verify
10 that the taxpayer is eligible to receive the exemption. Each
11 application shall contain or be verified by a written
12 declaration that it is made under the penalties of perjury. A
13 taxpayer's signing a fraudulent application under this Act is
14 perjury, as defined in Section 32-2 of the Criminal Code of
15 2012. The applications shall be clearly marked as applications
16 for the Low-Income Senior Citizens Assessment Freeze Homestead
17 Exemption and must contain a notice that any taxpayer who
18 receives the exemption is subject to an audit by the Chief
19 County Assessment Officer.

20 Notwithstanding any other provision to the contrary, in
21 counties having fewer than 3,000,000 inhabitants, if an
22 applicant fails to file the application required by this
23 Section in a timely manner and this failure to file is due to a
24 mental or physical condition sufficiently severe so as to
25 render the applicant incapable of filing the application in a
26 timely manner, the Chief County Assessment Officer may extend

1 the filing deadline for a period of 30 days after the applicant
2 regains the capability to file the application, but in no case
3 may the filing deadline be extended beyond 3 months of the
4 original filing deadline. In order to receive the extension
5 provided in this paragraph, the applicant shall provide the
6 Chief County Assessment Officer with a signed statement from
7 the applicant's physician, advanced practice registered nurse,
8 or physician assistant stating the nature and extent of the
9 condition, that, in the physician's, advanced practice
10 registered nurse's, or physician assistant's opinion, the
11 condition was so severe that it rendered the applicant
12 incapable of filing the application in a timely manner, and
13 the date on which the applicant regained the capability to
14 file the application.

15 Beginning January 1, 1998, notwithstanding any other
16 provision to the contrary, in counties having fewer than
17 3,000,000 inhabitants, if an applicant fails to file the
18 application required by this Section in a timely manner and
19 this failure to file is due to a mental or physical condition
20 sufficiently severe so as to render the applicant incapable of
21 filing the application in a timely manner, the Chief County
22 Assessment Officer may extend the filing deadline for a period
23 of 3 months. In order to receive the extension provided in this
24 paragraph, the applicant shall provide the Chief County
25 Assessment Officer with a signed statement from the
26 applicant's physician, advanced practice registered nurse, or

1 physician assistant stating the nature and extent of the
2 condition, and that, in the physician's, advanced practice
3 registered nurse's, or physician assistant's opinion, the
4 condition was so severe that it rendered the applicant
5 incapable of filing the application in a timely manner.

6 In counties having less than 3,000,000 inhabitants, if an
7 applicant was denied an exemption in taxable year 1994 and the
8 denial occurred due to an error on the part of an assessment
9 official, or his or her agent or employee, then beginning in
10 taxable year 1997 the applicant's base year, for purposes of
11 determining the amount of the exemption, shall be 1993 rather
12 than 1994. In addition, in taxable year 1997, the applicant's
13 exemption shall also include an amount equal to (i) the amount
14 of any exemption denied to the applicant in taxable year 1995
15 as a result of using 1994, rather than 1993, as the base year,
16 (ii) the amount of any exemption denied to the applicant in
17 taxable year 1996 as a result of using 1994, rather than 1993,
18 as the base year, and (iii) the amount of the exemption
19 erroneously denied for taxable year 1994.

20 For purposes of this Section, a person who will be 65 years
21 of age during the current taxable year shall be eligible to
22 apply for the homestead exemption during that taxable year.
23 Application shall be made during the application period in
24 effect for the county of his or her residence.

25 The Chief County Assessment Officer may determine the
26 eligibility of a life care facility that qualifies as a

1 cooperative to receive the benefits provided by this Section
2 by use of an affidavit, application, visual inspection,
3 questionnaire, or other reasonable method in order to insure
4 that the tax savings resulting from the exemption are credited
5 by the management firm to the apportioned tax liability of
6 each qualifying resident. The Chief County Assessment Officer
7 may request reasonable proof that the management firm has so
8 credited that exemption.

9 Except as provided in this Section, all information
10 received by the chief county assessment officer or the
11 Department from applications filed under this Section, or from
12 any investigation conducted under the provisions of this
13 Section, shall be confidential, except for official purposes
14 or pursuant to official procedures for collection of any State
15 or local tax or enforcement of any civil or criminal penalty or
16 sanction imposed by this Act or by any statute or ordinance
17 imposing a State or local tax. Any person who divulges any such
18 information in any manner, except in accordance with a proper
19 judicial order, is guilty of a Class A misdemeanor.

20 Nothing contained in this Section shall prevent the
21 Director or chief county assessment officer from publishing or
22 making available reasonable statistics concerning the
23 operation of the exemption contained in this Section in which
24 the contents of claims are grouped into aggregates in such a
25 way that information contained in any individual claim shall
26 not be disclosed.

1 Notwithstanding any other provision of law, for taxable
2 year 2017 and thereafter, in counties of 3,000,000 or more
3 inhabitants, the amount of the exemption shall be the greater
4 of (i) the amount of the exemption otherwise calculated under
5 this Section or (ii) \$2,000.

6 (c-5) Notwithstanding any other provision of law, each
7 chief county assessment officer may approve this exemption for
8 the 2020 taxable year, without application, for any property
9 that was approved for this exemption for the 2019 taxable
10 year, provided that:

11 (1) the county board has declared a local disaster as
12 provided in the Illinois Emergency Management Agency Act
13 related to the COVID-19 public health emergency;

14 (2) the owner of record of the property as of January
15 1, 2020 is the same as the owner of record of the property
16 as of January 1, 2019;

17 (3) the exemption for the 2019 taxable year has not
18 been determined to be an erroneous exemption as defined by
19 this Code; and

20 (4) the applicant for the 2019 taxable year has not
21 asked for the exemption to be removed for the 2019 or 2020
22 taxable years.

23 Nothing in this subsection shall preclude or impair the
24 authority of a chief county assessment officer to conduct
25 audits of any taxpayer claiming an exemption under this
26 Section to verify that the taxpayer is eligible to receive the

1 exemption as provided elsewhere in this Section.

2 (c-10) Notwithstanding any other provision of law, each
3 chief county assessment officer may approve this exemption for
4 the 2021 taxable year, without application, for any property
5 that was approved for this exemption for the 2020 taxable
6 year, if:

7 (1) the county board has declared a local disaster as
8 provided in the Illinois Emergency Management Agency Act
9 related to the COVID-19 public health emergency;

10 (2) the owner of record of the property as of January
11 1, 2021 is the same as the owner of record of the property
12 as of January 1, 2020;

13 (3) the exemption for the 2020 taxable year has not
14 been determined to be an erroneous exemption as defined by
15 this Code; and

16 (4) the taxpayer for the 2020 taxable year has not
17 asked for the exemption to be removed for the 2020 or 2021
18 taxable years.

19 Nothing in this subsection shall preclude or impair the
20 authority of a chief county assessment officer to conduct
21 audits of any taxpayer claiming an exemption under this
22 Section to verify that the taxpayer is eligible to receive the
23 exemption as provided elsewhere in this Section.

24 (d) Each Chief County Assessment Officer shall annually
25 publish a notice of availability of the exemption provided
26 under this Section. The notice shall be published at least 60

1 days but no more than 75 days prior to the date on which the
2 application must be submitted to the Chief County Assessment
3 Officer of the county in which the property is located. The
4 notice shall appear in a newspaper of general circulation in
5 the county.

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

9 (Source: P.A. 104-452, eff. 12-12-25.)

10 Section 99. Effective date. This Act takes effect upon
11 becoming law.