



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB0924

by Rep. Fred Crespo

SYNOPSIS AS INTRODUCED:

35 ILCS 200/Art. 18 Div. 7 heading new
35 ILCS 200/18-280 new
35 ILCS 200/18-285 new
35 ILCS 200/18-290 new
35 ILCS 200/20-15

Amends the Property Tax Code. Creates the School District Extension Freeze Law. Provides that, if at the end of any levy year, a school district has reserves of 50% or more in its educational fund, then the school district's extension for educational purposes may not exceed its extension for the previous levy year. Provides that, if the school district has reserves of 60% or more at the end of the immediately preceding levy year, then the district's extension for educational purposes shall be reduced by an amount equal to the difference between the district's educational reserve amount for the immediately preceding levy year and a reserve amount of 60% for that levy year. Effective July 1, 2020.

LRB101 05498 HLH 50513 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 adding
5 Division 7 to Article 18 and by changing Section 20-15 as
6 follows:

7 (35 ILCS 200/Art. 18 Div. 7 heading new)

8 Division 7. School District Extension Freeze Law

9 (35 ILCS 200/18-280 new)

10 Sec. 18-280. Short title. This Division 7 may be cited as
11 the School District Extension Freeze Law.

12 (35 ILCS 200/18-285 new)

13 Sec. 18-285. Limitation.

14 (a) If, at the end of any levy year, any school district
15 has reserves of 50% or more in its educational fund, as
16 determined by the State Board of Education, then, for the next
17 levy year, the county clerk shall extend a rate for that
18 district for educational purposes that is no greater than the
19 educational limiting rate.

20 (b) Each school district shall transmit to the State Board
21 of Education any information required by the State Board of

1 Education, by rule, for the purposes of making the
2 determination required under this Section.

3 (c) In the case of a school district that is subject to
4 both the Property Tax Extension Limitation Law and this Law for
5 a particular levy year, the county clerk shall calculate 2
6 separate limiting rates, one for educational purposes under
7 this Section and one for the sum of all other funds that are
8 included in the district's aggregate extension under the
9 Property Tax Extension Limitation Law.

10 (d) For a school district that has reserves of 50% or more
11 but not more than 60% in its educational fund at the end of the
12 immediately preceding levy year, as determined by the State
13 Board of Education, "educational limiting rate" means a
14 fraction the numerator of which is the district's last
15 preceding extension for educational purposes and the
16 denominator of which is the current year's equalized assessed
17 value of all real property in the territory under the
18 jurisdiction of the district during the prior levy year. For a
19 school district that has reserves of 60% or more at the end of
20 the immediately preceding levy year, as determined by the State
21 Board of Education, "educational limiting rate" means a
22 fraction (i) the numerator of which is the district's last
23 preceding extension for educational purposes minus the
24 difference between the district's educational reserve amount
25 for the immediately preceding levy year and a reserve amount of
26 60% for that levy year and (ii) the denominator of which is the

1 current year's equalized assessed value of all real property in
2 the territory under the jurisdiction of the taxing district
3 during the prior levy year. In either case, the denominator
4 shall not include new property or the recovered tax increment
5 value, as defined in the Property Tax Extension Limitation Law.

6 (35 ILCS 200/18-290 new)

7 Sec. 18-290. Referendum to increase the educational
8 limiting rate. A school district may increase its educational
9 limiting rate for one or more levy years if the district holds
10 a referendum before the levy date for the first levy year at
11 which a majority of voters voting on the issue approves the
12 higher educational limiting rate. Referenda shall be conducted
13 at a regularly scheduled election in accordance with the
14 Election Code. The question shall be presented in substantially
15 the following manner:

16 Shall the educational limiting rate for (school
17 district) be increased from (applicable educational
18 limiting rate) to (insert proposed educational limiting
19 rate) for (insert each levy year for which the increased
20 extension limitation will apply)?

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

22 If a majority of voters voting on the issue approves the
23 adoption of the increase, the increase shall be applicable for
24 each levy year specified.

1 (35 ILCS 200/20-15)

2 Sec. 20-15. Information on bill or separate statement.
3 There shall be printed on each bill, or on a separate slip
4 which shall be mailed with the bill:

5 (a) a statement itemizing the rate at which taxes have
6 been extended for each of the taxing districts in the
7 county in whose district the property is located, and in
8 those counties utilizing electronic data processing
9 equipment the dollar amount of tax due from the person
10 assessed allocable to each of those taxing districts,
11 including a separate statement of the dollar amount of tax
12 due which is allocable to a tax levied under the Illinois
13 Local Library Act or to any other tax levied by a
14 municipality or township for public library purposes,

15 (b) a separate statement for each of the taxing
16 districts of the dollar amount of tax due which is
17 allocable to a tax levied under the Illinois Pension Code
18 or to any other tax levied by a municipality or township
19 for public pension or retirement purposes,

20 (c) the total tax rate,

21 (d) the total amount of tax due, ~~and~~

22 (e) the amount by which the total tax and the tax
23 allocable to each taxing district differs from the
24 taxpayer's last prior tax bill, and -

25 (f) if the property is located in a school district
26 that had its extension for educational purposes reduced by

1 operation of the School District Extension Freeze Law
2 because it retained reserves of 60% or more at the end of
3 the immediately preceding levy year, then a separate
4 statement setting forth the amount by which the extension
5 for educational purposes was reduced.

6 The county treasurer shall ensure that only those taxing
7 districts in which a parcel of property is located shall be
8 listed on the bill for that property.

9 In all counties the statement shall also provide:

10 (1) the property index number or other suitable
11 description,

12 (2) the assessment of the property,

13 (3) the statutory amount of each homestead exemption
14 applied to the property,

15 (4) the assessed value of the property after
16 application of all homestead exemptions,

17 (5) the equalization factors imposed by the county and
18 by the Department, and

19 (6) the equalized assessment resulting from the
20 application of the equalization factors to the basic
21 assessment.

22 In all counties which do not classify property for purposes
23 of taxation, for property on which a single family residence is
24 situated the statement shall also include a statement to
25 reflect the fair cash value determined for the property. In all
26 counties which classify property for purposes of taxation in

1 accordance with Section 4 of Article IX of the Illinois
2 Constitution, for parcels of residential property in the lowest
3 assessment classification the statement shall also include a
4 statement to reflect the fair cash value determined for the
5 property.

6 In all counties, the statement must include information
7 that certain taxpayers may be eligible for tax exemptions,
8 abatements, and other assistance programs and that, for more
9 information, taxpayers should consult with the office of their
10 township or county assessor and with the Illinois Department of
11 Revenue.

12 In counties which use the estimated or accelerated billing
13 methods, these statements shall only be provided with the final
14 installment of taxes due. The provisions of this Section create
15 a mandatory statutory duty. They are not merely directory or
16 discretionary. The failure or neglect of the collector to mail
17 the bill, or the failure of the taxpayer to receive the bill,
18 shall not affect the validity of any tax, or the liability for
19 the payment of any tax.

20 (Source: P.A. 99-143, eff. 7-27-15; 100-621, eff. 7-20-18.)

21 Section 99. Effective date. This Act takes effect July 1,
22 2020.