

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 15-169 as follows:

6 (35 ILCS 200/15-169)

7 Sec. 15-169. Homestead exemption for veterans with  
8 disabilities.

9 (a) Beginning with taxable year 2007, an annual homestead  
10 exemption, limited to the amounts set forth in subsections (b)  
11 and (b-3), is granted for property that is used as a qualified  
12 residence by a veteran with a disability.

13 (b) For taxable years prior to 2015, the amount of the  
14 exemption under this Section is as follows:

15 (1) for veterans with a service-connected disability  
16 of at least (i) 75% for exemptions granted in taxable years  
17 2007 through 2009 and (ii) 70% for exemptions granted in  
18 taxable year 2010 and each taxable year thereafter, as  
19 certified by the United States Department of Veterans  
20 Affairs, the annual exemption is \$5,000; and

21 (2) for veterans with a service-connected disability  
22 of at least 50%, but less than (i) 75% for exemptions  
23 granted in taxable years 2007 through 2009 and (ii) 70% for

1 exemptions granted in taxable year 2010 and each taxable  
2 year thereafter, as certified by the United States  
3 Department of Veterans Affairs, the annual exemption is  
4 \$2,500.

5 (b-3) For taxable years 2015 and thereafter:

6 (1) if the veteran has a service connected disability  
7 of 30% or more but less than 50%, as certified by the  
8 United States Department of Veterans Affairs, then the  
9 annual exemption is \$2,500;

10 (2) if the veteran has a service connected disability  
11 of 50% or more but less than 70%, as certified by the  
12 United States Department of Veterans Affairs, then the  
13 annual exemption is \$5,000; and

14 (3) if the veteran has a service connected disability  
15 of 70% or more, as certified by the United States  
16 Department of Veterans Affairs, then the property is exempt  
17 from taxation under this Code.

18 (b-5) If a homestead exemption is granted under this  
19 Section and the person awarded the exemption subsequently  
20 becomes a resident of a facility licensed under the Nursing  
21 Home Care Act or a facility operated by the United States  
22 Department of Veterans Affairs, then the exemption shall  
23 continue (i) so long as the residence continues to be occupied  
24 by the qualifying person's spouse or (ii) if the residence  
25 remains unoccupied but is still owned by the person who  
26 qualified for the homestead exemption.

1 (c) The tax exemption under this Section carries over to  
2 the benefit of the veteran's surviving spouse as long as the  
3 spouse holds the legal or beneficial title to the homestead,  
4 permanently resides thereon, and does not remarry. If the  
5 surviving spouse sells the property, an exemption not to exceed  
6 the amount granted from the most recent ad valorem tax roll may  
7 be transferred to his or her new residence as long as it is  
8 used as his or her primary residence and he or she does not  
9 remarry.

10 As used in this subsection (c):

11 (1) for taxable years prior to 2015, "surviving spouse"  
12 means the surviving spouse of a veteran who obtained an  
13 exemption under this Section prior to his or her death;

14 (2) for taxable years 2015 through 2018, "surviving  
15 spouse" means (i) the surviving spouse of a veteran who  
16 obtained an exemption under this Section prior to his or  
17 her death and (ii) the surviving spouse of a veteran who  
18 was killed in the line of duty in the current taxable year  
19 or any preceding taxable year; and

20 (3) for taxable year 2019 and thereafter, "surviving  
21 spouse" means (i) the surviving spouse of a veteran who  
22 qualified for the exemption under this Section prior to his  
23 or her death, (ii) the surviving spouse of a veteran who  
24 was killed in the line of duty in the current taxable year  
25 or any preceding taxable year, (iii) the surviving spouse  
26 of a veteran who did not obtain an exemption under this

1       Section before death, but who would have qualified for the  
2       exemption under this Section in the current taxable year if  
3       he or she had survived, and (iv) the surviving spouse of a  
4       veteran whose death was determined to be service-connected  
5       and who is certified by the United States Department of  
6       Veterans Affairs as being a current recipient of Dependency  
7       and Indemnity Compensation; a surviving spouse who  
8       qualifies under item (iv) shall receive the exemption set  
9       forth in paragraph (3) of subsection (b-3).

10       (c-1) Beginning with taxable year 2015, nothing in this  
11       Section shall require the veteran to have qualified for or  
12       obtained the exemption before death if the veteran was killed  
13       in the line of duty.

14       (d) The exemption under this Section applies for taxable  
15       year 2007 and thereafter. A taxpayer who claims an exemption  
16       under Section 15-165 or 15-168 may not claim an exemption under  
17       this Section.

18       (e) Each taxpayer who has been granted an exemption under  
19       this Section must reapply on an annual basis. Application must  
20       be made during the application period in effect for the county  
21       of his or her residence. The assessor or chief county  
22       assessment officer may determine the eligibility of  
23       residential property to receive the homestead exemption  
24       provided by this Section by application, visual inspection,  
25       questionnaire, or other reasonable methods. The determination  
26       must be made in accordance with guidelines established by the

1 Department.

2 (e-1) If the person qualifying for the exemption does not  
3 occupy the qualified residence as of January 1 of the taxable  
4 year, the exemption granted under this Section shall be  
5 prorated on a monthly basis. The prorated exemption shall apply  
6 beginning with the first complete month in which the person  
7 occupies the qualified residence.

8 (f) For the purposes of this Section:

9 "Qualified residence" means real property, but less any  
10 portion of that property that is used for commercial purposes,  
11 with an equalized assessed value of less than \$250,000 that is  
12 the primary residence of a veteran with a disability. Property  
13 rented for more than 6 months is presumed to be used for  
14 commercial purposes.

15 "Veteran" means an Illinois resident who has served as a  
16 member of the United States Armed Forces on active duty or  
17 State active duty, a member of the Illinois National Guard, or  
18 a member of the United States Reserve Forces and who has  
19 received an honorable discharge.

20 (Source: P.A. 99-143, eff. 7-27-15; 99-375, eff. 8-17-15;  
21 99-642, eff. 7-28-16; 100-869, eff. 8-14-18.)

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