

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 Senior Citizens Real Estate Tax Deferral  
5 Act is amended by changing Sections 2 and 3 as follows:

6 (320 ILCS 30/2) (from Ch. 67 1/2, par. 452)

7 Sec. 2. Definitions. As used in this Act:

8 (a) "Taxpayer" means an individual whose household income  
9 for the year is no greater than: (i) \$40,000 through tax year  
10 2005; (ii) \$50,000 for tax years 2006 through 2011; ~~and~~ (iii)  
11 \$55,000 for tax years ~~year~~ 2012 through 2021; (iv) \$65,000 for  
12 tax years 2022 through 2025; and (v) \$55,000 for tax year 2026  
13 and thereafter.

14 (b) "Tax deferred property" means the property upon which  
15 real estate taxes are deferred under this Act.

16 (c) "Homestead" means the land and buildings thereon,  
17 including a condominium or a dwelling unit in a multidwelling  
18 building that is owned and operated as a cooperative, occupied  
19 by the taxpayer as his residence or which are temporarily  
20 unoccupied by the taxpayer because such taxpayer is  
21 temporarily residing, for not more than 1 year, in a licensed  
22 facility as defined in Section 1-113 of the Nursing Home Care  
23 Act.

1 (d) "Real estate taxes" or "taxes" means the taxes on real  
2 property for which the taxpayer would be liable under the  
3 Property Tax Code, including special service area taxes, and  
4 special assessments on benefited real property for which the  
5 taxpayer would be liable to a unit of local government.

6 (e) "Department" means the Department of Revenue.

7 (f) "Qualifying property" means a homestead which (a) the  
8 taxpayer or the taxpayer and his spouse own in fee simple or  
9 are purchasing in fee simple under a recorded instrument of  
10 sale, (b) is not income-producing property, (c) is not subject  
11 to a lien for unpaid real estate taxes when a claim under this  
12 Act is filed, and (d) is not held in trust, other than an  
13 Illinois land trust with the taxpayer identified as the sole  
14 beneficiary, if the taxpayer is filing for the program for the  
15 first time effective as of the January 1, 2011 assessment year  
16 or tax year 2012 and thereafter.

17 (g) "Equity interest" means the current assessed valuation  
18 of the qualified property times the fraction necessary to  
19 convert that figure to full market value minus any outstanding  
20 debts or liens on that property. In the case of qualifying  
21 property not having a separate assessed valuation, the  
22 appraised value as determined by a qualified real estate  
23 appraiser shall be used instead of the current assessed  
24 valuation.

25 (h) "Household income" has the meaning ascribed to that  
26 term in the Senior Citizens and Persons with Disabilities

1 Property Tax Relief Act.

2 (i) "Collector" means the county collector or, if the  
3 taxes to be deferred are special assessments, an official  
4 designated by a unit of local government to collect special  
5 assessments.

6 (Source: P.A. 99-143, eff. 7-27-15.)

7 (320 ILCS 30/3) (from Ch. 67 1/2, par. 453)

8 Sec. 3. A taxpayer may, on or before March 1 of each year,  
9 apply to the county collector of the county where his  
10 qualifying property is located, or to the official designated  
11 by a unit of local government to collect special assessments  
12 on the qualifying property, as the case may be, for a deferral  
13 of all or a part of real estate taxes payable during that year  
14 for the preceding year in the case of real estate taxes other  
15 than special assessments, or for a deferral of any  
16 installments payable during that year in the case of special  
17 assessments, on all or part of his qualifying property. The  
18 application shall be on a form prescribed by the Department  
19 and furnished by the collector, (a) showing that the applicant  
20 will be 65 years of age or older by June 1 of the year for  
21 which a tax deferral is claimed, (b) describing the property  
22 and verifying that the property is qualifying property as  
23 defined in Section 2, (c) certifying that the taxpayer has  
24 owned and occupied as his residence such property or other  
25 qualifying property in the State for at least the last 3 years

1 except for any periods during which the taxpayer may have  
2 temporarily resided in a nursing or sheltered care home, and  
3 (d) specifying whether the deferral is for all or a part of the  
4 taxes, and, if for a part, the amount of deferral applied for.  
5 As to qualifying property not having a separate assessed  
6 valuation, the taxpayer shall also file with the county  
7 collector a written appraisal of the property prepared by a  
8 qualified real estate appraiser together with a certificate  
9 signed by the appraiser stating that he has personally  
10 examined the property and setting forth the value of the land  
11 and the value of the buildings thereon occupied by the  
12 taxpayer as his residence.

13 The collector shall grant the tax deferral provided such  
14 deferral does not exceed funds available in the Senior  
15 Citizens Real Estate Deferred Tax Revolving Fund and provided  
16 that the owner or owners of such real property have entered  
17 into a tax deferral and recovery agreement with the collector  
18 on behalf of the county or other unit of local government,  
19 which agreement expressly states:

20 (1) That the total amount of taxes deferred under this  
21 Act, plus interest, for the year for which a tax deferral is  
22 claimed as well as for those previous years for which taxes are  
23 not delinquent and for which such deferral has been claimed  
24 may not exceed 80% of the taxpayer's equity interest in the  
25 property for which taxes are to be deferred and that, if the  
26 total deferred taxes plus interest equals 80% of the

1 taxpayer's equity interest in the property, the taxpayer shall  
2 thereafter pay the annual interest due on such deferred taxes  
3 plus interest so that total deferred taxes plus interest will  
4 not exceed such 80% of the taxpayer's equity interest in the  
5 property. Effective as of the January 1, 2011 assessment year  
6 or tax year 2012 and through the 2021 tax year, and beginning  
7 again with the 2026 tax year ~~thereafter~~, the total amount of  
8 any such deferral shall not exceed \$5,000 per taxpayer in each  
9 tax year. For the 2022 tax year through the 2025 tax year, the  
10 total amount of any such deferral shall not exceed \$7,500 per  
11 taxpayer in each tax year.

12 (2) That any real estate taxes deferred under this Act and  
13 any interest accrued thereon at the rate of 6% per year are a  
14 lien on the real estate and improvements thereon until paid.  
15 No sale or transfer of such real property may be legally closed  
16 and recorded until the taxes which would otherwise have been  
17 due on the property, plus accrued interest, have been paid  
18 unless the collector certifies in writing that an arrangement  
19 for prompt payment of the amount due has been made with his  
20 office. The same shall apply if the property is to be made the  
21 subject of a contract of sale.

22 (3) That upon the death of the taxpayer claiming the  
23 deferral the heirs-at-law, assignees or legatees shall have  
24 first priority to the real property upon which taxes have been  
25 deferred by paying in full the total taxes which would  
26 otherwise have been due, plus interest. However, if such

1 heir-at-law, assignee, or legatee is a surviving spouse, the  
2 tax deferred status of the property shall be continued during  
3 the life of that surviving spouse if the spouse is 55 years of  
4 age or older within 6 months of the date of death of the  
5 taxpayer and enters into a tax deferral and recovery agreement  
6 before the time when deferred taxes become due under this  
7 Section. Any additional taxes deferred, plus interest, on the  
8 real property under a tax deferral and recovery agreement  
9 signed by a surviving spouse shall be added to the taxes and  
10 interest which would otherwise have been due, and the payment  
11 of which has been postponed during the life of such surviving  
12 spouse, in determining the 80% equity requirement provided by  
13 this Section.

14 (4) That if the taxes due, plus interest, are not paid by  
15 the heir-at-law, assignee or legatee or if payment is not  
16 postponed during the life of a surviving spouse, the deferred  
17 taxes and interest shall be recovered from the estate of the  
18 taxpayer within one year of the date of his death. In addition,  
19 deferred real estate taxes and any interest accrued thereon  
20 are due within 90 days after any tax deferred property ceases  
21 to be qualifying property as defined in Section 2.

22 If payment is not made when required by this Section,  
23 foreclosure proceedings may be instituted under the Property  
24 Tax Code.

25 (5) That any joint owner has given written prior approval  
26 for such agreement, which written approval shall be made a

1 part of such agreement.

2 (6) That a guardian for a person under legal disability  
3 appointed for a taxpayer who otherwise qualifies under this  
4 Act may act for the taxpayer in complying with this Act.

5 (7) That a taxpayer or his agent has provided to the  
6 satisfaction of the collector, sufficient evidence that the  
7 qualifying property on which the taxes are to be deferred is  
8 insured against fire or casualty loss for at least the total  
9 amount of taxes which have been deferred.

10 If the taxes to be deferred are special assessments, the  
11 unit of local government making the assessments shall forward  
12 a copy of the agreement entered into pursuant to this Section  
13 and the bills for such assessments to the county collector of  
14 the county in which the qualifying property is located.

15 (Source: P.A. 97-481, eff. 8-22-11.)

16 Section 99. Effective date. This Act takes effect upon  
17 becoming law.