



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB2105

Introduced 2/7/2023, by Rep. Daniel Didech

SYNOPSIS AS INTRODUCED:

35 ILCS 200/8-35
35 ILCS 200/14-15
35 ILCS 200/14-20
35 ILCS 200/14-25
35 ILCS 200/15-25
35 ILCS 200/23-25

Amends the Property Tax Code. Provides that no certificate of error shall be issued without the chief county assessment officer first having given all affected taxing districts 30 days' written notice. Provides that taxing districts may seek a judicial determination as to the exempt status of property.

LRB103 04744 HLH 49753 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 Sections 8-35, 14-15, 14-20, 14-25, 15-25, and 23-25 as
6 follows:

7 (35 ILCS 200/8-35)

8 Sec. 8-35. Notification requirements; procedure on
9 protest.

10 (a) Assessments made by the Department. Upon completion of
11 its original assessments, the Department shall publish a
12 complete list of the assessments in the State "official
13 newspaper." Any person feeling aggrieved by any such
14 assessment may, within 10 days of the date of publication of
15 the list, apply to the Department for a review and correction
16 of that assessment. Upon review of the assessment, the
17 Department shall make any correction as it considers just.

18 If review of an assessment has been made and notice has
19 been given of the Department's decision, any party to the
20 proceeding who feels aggrieved by the decision, may file an
21 application for hearing. The application shall be in writing
22 and shall be filed with the Department within 20 days after
23 notice of the decision has been given by certified mail.

1 Petitions for hearing shall state concisely the mistakes
2 alleged to have been made or the new evidence to be presented.

3 No action for the judicial review of any assessment
4 decision of the Department shall be allowed unless the party
5 commencing such action has filed an application for a hearing
6 and the Department has acted upon the application.

7 The extension of taxes on an assessment shall not be
8 delayed by any proceeding under this Section. In cases where
9 the assessment is revised, the taxes extended upon the
10 assessment, or that part of the taxes as may be appropriate,
11 shall be abated or, if already paid, refunded.

12 (b) Exemption decisions made by the Department. Notice of
13 each exemption decision made by the Department under Section
14 15-25, 16-70, or 16-130 shall be given by certified mail to the
15 applicant for exemption.

16 If an exemption decision has been made by the Department
17 and notice has been given of the Department's decision, any
18 party to the proceeding who feels aggrieved by the decision
19 may file an application for hearing. The application shall be
20 in writing and shall be filed with the Department within 60
21 days after notice of the decision has been given by certified
22 mail. Petitions for hearing shall state concisely the mistakes
23 alleged to have been made or the new evidence to be presented.

24 If a petition for hearing is filed, the Department shall
25 reconsider the exemption decision and shall grant any party to
26 the proceeding a hearing. As soon as practical after the

1 reconsideration and hearing, the Department shall issue a
2 notice of decision by mailing the notice by certified mail.
3 The notice shall set forth the Department's findings of fact
4 and the basis of the decision.

5 Within 30 days after the mailing of a notice of decision,
6 any party to the proceeding may file with the Director a
7 written request for rehearing in such form as the Department
8 may by rule prescribe, setting forth the grounds on which
9 rehearing is requested. If rehearing or Departmental review is
10 granted, as soon as practical after the rehearing or
11 Departmental review has been held, the Department shall issue
12 a revised decision to the party or the party's legal
13 representative as a result of the rehearing. The action of the
14 Department on a petition for hearing shall become final the
15 later of (i) 30 days after issuance of a notice of decision, if
16 no request for rehearing is made, or (ii) if a timely request
17 for rehearing is made, upon the issuance of the denial of the
18 request or the issuance of a notice of final decision.

19 No action for the judicial review of any exemption
20 decision of the Department shall be allowed unless the party
21 commencing the action has filed an application for a hearing
22 and the Department has acted upon the application.

23 The extension of taxes on an assessment shall not be
24 delayed by any proceeding under this Section. In cases when
25 the exemption is granted, in whole or in part, the taxes
26 extended upon the assessment, or that part of the taxes as may

1 be appropriate, shall be abated or, if already paid, refunded.
2 However, in no event shall taxes be refunded until the time to
3 request a hearing under this Section has expired or, if a
4 hearing under this Section has been timely requested, until
5 the Department has made its decision on reconsideration and
6 all opportunity for judicial review has been exhausted.

7 (Source: P.A. 92-658, eff. 7-16-02.)

8 (35 ILCS 200/14-15)

9 Sec. 14-15. Certificate of error; counties of 3,000,000 or
10 more.

11 (a) In counties with 3,000,000 or more inhabitants, if,
12 after the assessment is certified pursuant to Section 16-150,
13 but subject to the limitations of subsection (c) of this
14 Section, the county assessor discovers an error or mistake in
15 the assessment, the assessor shall execute a certificate
16 setting forth the nature and cause of the error. The
17 certificate when endorsed by the county assessor, or when
18 endorsed by the county assessor and board of appeals (until
19 the first Monday in December 1998 and the board of review
20 beginning the first Monday in December 1998 and thereafter)
21 where the certificate is executed for any assessment which was
22 the subject of a complaint filed in the board of appeals (until
23 the first Monday in December 1998 and the board of review
24 beginning the first Monday in December 1998 and thereafter)
25 for the tax year for which the certificate is issued, may,

1 either be certified according to the procedure authorized by
2 this Section or be presented and received in evidence in any
3 court of competent jurisdiction. Certification is authorized,
4 at the discretion of the county assessor, for: (1)
5 certificates of error allowing homestead exemptions under
6 Article 15; (2) certificates of error on residential property
7 of 6 units or less; (3) certificates of error allowing
8 exemption of the property pursuant to Section 14-25; and (4)
9 other certificates of error reducing assessed value by less
10 than \$100,000. Any certificate of error not certified shall be
11 presented to the court. The county assessor shall develop
12 reasonable procedures for the filing and processing of
13 certificates of error. Prior to the certification or
14 presentation to the court, the county assessor or his or her
15 designee shall execute and include in the certificate of error
16 a statement attesting that all procedural requirements
17 pertaining to the issuance of the certificate of error have
18 been met and that in fact an error exists. When so introduced
19 in evidence such certificate shall become a part of the court
20 records, and shall not be removed from the files except upon
21 the order of the court.

22 Certificates of error that will be presented to the court
23 shall be filed as an objection in the application for judgment
24 and order of sale for the year in relation to which the
25 certificate is made or as an amendment to the objection under
26 subsection (b). Certificates of error that are to be certified

1 according to the procedure authorized by this Section need not
2 be presented to the court as an objection or an amendment under
3 subsection (b). The State's Attorney of the county in which
4 the property is situated shall mail a copy of any final
5 judgment entered by the court regarding any certificate of
6 error to the taxpayer of record for the year in question.

7 Any unpaid taxes after the entry of the final judgment by
8 the court or certification on certificates issued under this
9 Section may be included in a special tax sale, provided that an
10 advertisement is published and a notice is mailed to the
11 person in whose name the taxes were last assessed, in a form
12 and manner substantially similar to the advertisement and
13 notice required under Sections 21-110 and 21-135. The
14 advertisement and sale shall be subject to all provisions of
15 law regulating the annual advertisement and sale of delinquent
16 property, to the extent that those provisions may be made
17 applicable.

18 A certificate of error certified under this Section shall
19 be given effect by the county treasurer, who shall mark the tax
20 books and, upon receipt of one of the following certificates
21 from the county assessor or the county assessor and the board
22 of review where the board of review is required to endorse the
23 certificate of error, shall issue refunds to the taxpayer
24 accordingly:

25 "CERTIFICATION

1 I,, county assessor, hereby certify
 2 that the Certificates of Error set out on the attached
 3 list have been duly issued to correct an error or mistake
 4 in the assessment."

"CERTIFICATION

5
 6 I,, county assessor, and we,
 7,
 8 members of the board of review, hereby certify that the
 9 Certificates of Error set out on the attached list have
 10 been duly issued to correct an error or mistake in the
 11 assessment and that any certificates of error required to
 12 be endorsed by the board of review have been so endorsed."

13 The county treasurer has the power to mark the tax books to
 14 reflect the issuance of certificates of error certified
 15 according to the procedure authorized in this Section for
 16 certificates of error issued under Section 14-25 or
 17 certificates of error issued to and including 3 years after
 18 the date on which the annual judgment and order of sale for
 19 that tax year was first entered. The county treasurer has the
 20 power to issue refunds to the taxpayer as set forth above until
 21 all refunds authorized by this Section have been completed.

22 To the extent that the certificate of error obviates the
 23 liability for nonpayment of taxes, certification of a
 24 certificate of error according to the procedure authorized in

1 this Section shall operate to vacate any judgment or
2 forfeiture as to that year's taxes, and the warrant books and
3 judgment books shall be marked to reflect that the judgment or
4 forfeiture has been vacated.

5 (b) Nothing in subsection (a) of this Section shall be
6 construed to prohibit the execution, endorsement, issuance,
7 and adjudication of a certificate of error if (i) the annual
8 judgment and order of sale for the tax year in question is
9 reopened for further proceedings upon consent of the county
10 collector and county assessor, represented by the State's
11 Attorney, and (ii) a new final judgment is subsequently
12 entered pursuant to the certificate. This subsection (b) shall
13 be construed as declarative of existing law and not as a new
14 enactment.

15 (c) No certificate of error, other than a certificate to
16 establish an exemption under Section 14-25, shall be executed
17 for any tax year more than 3 years after the date on which the
18 annual judgment and order of sale for that tax year was first
19 entered, except that during calendar years 1999 and 2000 a
20 certificate of error may be executed for any tax year,
21 provided that the error or mistake in the assessment was
22 discovered no more than 3 years after the date on which the
23 annual judgment and order of sale for that tax year was first
24 entered.

25 (d) The time limitation of subsection (c) shall not apply
26 to a certificate of error correcting an assessment to \$1,

1 under Section 10-35, on a parcel that a subdivision or planned
2 development has acquired by adverse possession, if during the
3 tax year for which the certificate is executed the subdivision
4 or planned development used the parcel as common area, as
5 defined in Section 10-35, and if application for the
6 certificate of error is made prior to December 1, 1997.

7 (e) The changes made by this amendatory Act of the 91st
8 General Assembly apply to certificates of error issued before,
9 on, and after the effective date of this amendatory Act of the
10 91st General Assembly.

11 (f) No certificate of error shall be issued under this
12 Section based upon an exemption from taxation without the
13 Assessor first having given all affected taxing districts 30
14 days' written notice.

15 (Source: P.A. 95-644, eff. 10-12-07.)

16 (35 ILCS 200/14-20)

17 Sec. 14-20. Certificate of error; counties of less than
18 3,000,000. In any county with less than 3,000,000 inhabitants,
19 if, at any time before judgment or order of sale is entered in
20 any proceeding to collect or to enjoin the collection of taxes
21 based upon any assessment of any property, the chief county
22 assessment officer discovers an error or mistake in the
23 assessment (other than errors of judgment as to the valuation
24 of the property), he or she shall issue to the person
25 erroneously assessed a certificate setting forth the nature of

1 the error and the cause or causes of the error. In any county
2 with less than 3,000,000 inhabitants, if an owner fails to
3 file an application for any homestead exemption provided under
4 Article 15 during the previous assessment year and qualifies
5 for the exemption, the Chief County Assessment Officer
6 pursuant to this Section, or the Board of Review pursuant to
7 Section 16-75, shall issue a certificate of error setting
8 forth the correct taxable valuation of the property. The
9 certificate, when properly endorsed by the majority of the
10 board of review, showing their concurrence, and not otherwise,
11 may be used in evidence in any court of competent
12 jurisdiction, and when so introduced in evidence, shall become
13 a part of the court record and shall not be removed from the
14 files except on an order of the court. No certificate of error
15 shall be issued under this Section based upon an exemption
16 from taxation without the chief county assessment officer
17 first having given all affected taxing districts 30 days'
18 written notice.

19 (Source: P.A. 96-522, eff. 8-14-09.)

20 (35 ILCS 200/14-25)

21 Sec. 14-25. Certificate of error; tax exempt property. If
22 an exemption is approved by the Department and all opportunity
23 for reconsideration by the Department under Section 8-35 of
24 the Property Tax Code and judicial review thereon has been
25 exhausted or if an exemption is approved by a final court

1 decision in proceedings to review an exemption decision of the
2 Department under the Administrative Review Law then a
3 certificate of error shall be issued under Section 14-15 or
4 14-20 if one of the following is met:

5 (a) If the property became eligible for the exemption at
6 an earlier time, a certificate of error shall be issued for the
7 period of eligibility, but in no event, except as otherwise
8 provided in this subsection (a), for more than the 3
9 assessment years immediately preceding the assessment year for
10 which the exemption was approved. A certificate of error shall
11 be issued for the period of eligibility, but in no event for
12 more than the 5 assessment years immediately preceding the
13 assessment year for which the exemption was approved, if the
14 municipality requests the certificate of error before January
15 1, 1995.

16 (b) If the property is subsequently erroneously assessed
17 as non-exempt, that error shall be remedied by the issuance of
18 a certificate of error.

19 (c) If the owner failed to file an application for
20 exemption, or a certificate of status under Section 15-10, for
21 an assessment year following the assessment year for which the
22 exemption was approved and the property remains eligible for
23 exemption for the following year.

24 (Source: P.A. 88-455; 88-660, eff. 9-16-94.)

25 (35 ILCS 200/15-25)

1 Sec. 15-25. Removal of exemptions.

2 (a) If the Department determines that any property has
3 been unlawfully exempted from taxation, or is no longer
4 entitled to exemption, the Department shall, before January 1
5 of any year, direct the chief county assessment officer to
6 assess the property and return it to the assessment rolls for
7 the next assessment year. The Department shall give notice of
8 its decision to the owner of the property by certified mail.
9 The decision shall be subject to review and hearing under
10 Section 8-35, upon application by the owner filed within 60
11 days after the notice of decision is mailed. However, the
12 extension of taxes on the assessment shall not be delayed by
13 any proceedings under this Section. If the property is
14 determined to be exempt, any taxes extended upon the
15 assessment shall be abated or, if already paid, be refunded.

16 (b) Any taxing district may initiate, no later than
17 November 1 of any year, a complaint with the Department,
18 requesting that the Department make a determination under
19 subsection (a) of this Section that any property located
20 within the boundaries of the taxing district has been
21 unlawfully exempted from taxation or is no longer entitled to
22 exemption for the next assessment year. If the request is
23 denied or not acted upon by the Department within 60 days after
24 the Department receives the request, then the complainant
25 taxing district may initiate, no later than March 1 of the
26 assessment year, an original action in circuit court seeking a

1 declaration as to whether the property is no longer eligible
2 to be tax exempt. The Department shall be bound by that
3 judicial determination.

4 (Source: P.A. 95-331, eff. 8-21-07.)

5 (35 ILCS 200/23-25)

6 Sec. 23-25. Tax exempt property; restriction on judicial
7 determinations.

8 (a) No taxpayer may file an objection as provided in
9 Section 21-175 or Section 23-10 on the grounds that the
10 property is exempt from taxation, or otherwise seek a judicial
11 determination as to tax exempt status, except as provided in
12 Section 8-40 and except as otherwise provided in this Section
13 and Section 14-25 and Section 21-175.

14 (b) Nothing in this Section shall affect the right of a
15 governmental agency to seek a judicial determination as to the
16 exempt status of property for those years during which eminent
17 domain proceedings were pending before a court, once a
18 certificate of exemption for the property is obtained by the
19 governmental agency under Section 8-35 or Section 8-40.

20 (c) This Section shall not apply to exemptions granted
21 under Sections 15-165 through 15-180.

22 (d) The limitation in this Section shall not apply to
23 court proceedings relating to an exemption for the 1985
24 assessment year and preceding assessment years. However, an
25 order entered in any such proceeding shall not preclude the

1 necessity of applying for an exemption for 1986 or later
2 assessment years in the manner provided by Section 16-70 or
3 16-130.

4 (e) The limitation in this Section shall not apply to
5 court proceedings to establish an exemption for any specific
6 assessment year, provided that the plaintiff or its
7 predecessor in interest in the property has established an
8 exemption for any subsequent or prior assessment year on
9 grounds comparable to those alleged in the court proceedings.
10 For purposes of this subsection, the exemption for a
11 subsequent or prior year must have been determined under
12 Section 8-35 or a prior similar law by the Department or a
13 predecessor agency, or under Section 8-40. Court proceedings
14 permitted by this subsection may be initiated while
15 proceedings for the subsequent or prior year under Section
16 16-70, 16-130, 8-35, or 8-40 are still pending, but judgment
17 shall not be entered until the proceedings under Section 8-35
18 or 8-40 have terminated.

19 (f) Nothing in this Section shall affect the right of a
20 taxing district to seek a judicial determination as to the
21 exempt status of property as provided in Section 15-25 of the
22 Property Tax Code.

23 (Source: P.A. 89-126, eff. 7-11-95; 90-679, eff. 7-31-98.)