



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB3467

Introduced 2/17/2023, by Rep. Tim Ozinga

SYNOPSIS AS INTRODUCED:

30 ILCS 105/5.990 new
105 ILCS 5/1A-12 new

Amends the School Code. Provides that the State Board of Education shall establish and administer an annual program to award property tax relief grants to school districts in the State. Provides that, in exchange for receiving a grant, the school district's maximum aggregate property tax extension for the taxable year that begins on January 1 of the fiscal year for which the grant is awarded may not exceed a specified maximum aggregate property tax extension. Creates the Education Property Tax Relief Fund for the purpose of making appropriations for the grant program. Amends the State Finance Act to make conforming changes. Effective immediately.

LRB103 30521 RJT 56954 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 State Finance Act is amended by adding
5 Section 5.990 as follows:

6 (30 ILCS 105/5.990 new)

7 Sec. 5.990. The Education Property Tax Relief Fund.

8 Section 15. The School Code is amended by adding Section
9 1A-12 as follows:

10 (105 ILCS 5/1A-12 new)

11 Sec. 1A-12. School District Property Tax Relief Grant
12 Program; Education Property Tax Relief Fund.

13 (a) As used in this Section:

14 "Adjusted maximum aggregate property tax extension" means
15 the highest aggregate property tax extension that the district
16 is authorized by law to levy, without regard to this Section,
17 for the taxable year for which the adjusted maximum aggregate
18 property tax extension is calculated, minus the grant amount
19 received by the school district for the fiscal year that ends
20 during the taxable year for which the adjusted maximum
21 aggregate property tax extension is calculated.

1 "Aggregate property tax extension" means the annual
2 corporate extension for the school district and those special
3 purpose extensions that are made annually for the school
4 district.

5 "Taxable year" means the calendar year during which
6 property taxes payable in the next succeeding year are levied.

7 (b) For State fiscal year 2024 and each State fiscal year
8 thereafter, the State Board of Education shall establish and
9 administer an annual program to award property tax relief
10 grants to school districts in the State. In exchange for
11 receiving a grant under this Section, the school district's
12 maximum aggregate property tax extension for the taxable year
13 that begins on January 1 of the fiscal year for which the grant
14 is awarded may not exceed its adjusted maximum aggregate
15 property tax extension for that taxable year. Grants shall be
16 awarded from moneys appropriated for that purpose from the
17 Education Property Tax Relief Fund created in subsection (c).
18 Moneys awarded to school districts under this Section shall be
19 distributed pro rata on a per pupil average daily attendance
20 basis, as reported in the school district report card for the
21 immediately preceding school year under Section 10-17a of the
22 School Code.

23 (c) The Education Property Tax Relief Fund is hereby
24 created as a special fund in the State treasury. By September
25 1, 2023, and by September 1 of each calendar year thereafter,
26 the Governor's Office of Management and Budget shall certify

1 to the State Comptroller and the State Treasurer an amount
2 equal to the difference, if any, between (i) 25% of the total
3 amount appropriated from all State general funds as part of
4 the State budget for the fiscal year that begins on the
5 immediately preceding July 1, including any amounts
6 appropriated for the purpose of making grants under this
7 Section, and (ii) the total amount appropriated by the State,
8 including any continuing appropriations, for that fiscal year
9 as State contributions to the retirement system established
10 under Article 16 of the Illinois Pension Code and the
11 retirement fund established under Article 17 of the Illinois
12 Pension Code. Upon receiving the certified amount from the
13 Governor's Office of Management and Budget, the Comptroller
14 shall order transferred and the Treasurer shall transfer the
15 certified amount from the General Revenue Fund to the
16 Education Property Tax Relief Fund. Any unexpended amounts
17 remaining in the Fund on the last day of the State fiscal year
18 shall be transferred from the Education Property Tax Relief
19 Fund to the General Revenue Fund.

20 Section 99. Effective date. This Act takes effect upon
21 becoming law.