



## 103RD GENERAL ASSEMBLY

### State of Illinois

2023 and 2024

HB3486

Introduced 2/17/2023, by Rep. Mark L. Walker

#### 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 29618 HLH 56014 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) From State fiscal year 2024 through State fiscal year  
14 2029, the State Board of Education shall establish and  
15 administer an annual program to award property tax relief  
16 grants to school districts in the State. In exchange for  
17 receiving a grant under this Section, the school district's  
18 maximum aggregate property tax extension for the taxable year  
19 that begins on January 1 of the fiscal year for which the grant  
20 is awarded may not exceed its adjusted maximum aggregate  
21 property tax extension for that taxable year. Grants shall be

1 awarded from moneys appropriated for that purpose from the  
2 Education Property Tax Relief Fund created in subsection (b).  
3 Moneys awarded to school districts under this Section shall be  
4 distributed pro rata on a per pupil average daily attendance  
5 basis, as reported in the school district report card for the  
6 immediately preceding school year under Section 10-17a of the  
7 School Code.

8 (b) The Education Property Tax Relief Fund is hereby  
9 created as a special fund in the State treasury. By September  
10 1, 2023, and by September 1 of each calendar year thereafter,  
11 the Governor's Office of Management and Budget shall certify  
12 to the State Comptroller and the State Treasurer an amount  
13 equal to 75% of the difference, if any, between (i) 23% of the  
14 total amount appropriated from all State general funds as part  
15 of the State budget for the fiscal year that begins on the  
16 immediately preceding July 1, including any amounts  
17 appropriated for the purpose of making grants under this  
18 Section, and (ii) the total amount appropriated by the State,  
19 including any continuing appropriations, for that fiscal year  
20 as State contributions to the retirement system established  
21 under Article 16 of the Illinois Pension Code and the  
22 retirement fund established under Article 17 of the Illinois  
23 Pension Code. Upon receiving the certified amount from the  
24 Governor's Office of Management and Budget, the Comptroller  
25 shall order transferred, and the Treasurer shall transfer, the  
26 certified amount from the General Revenue Fund to the

1 Education Property Tax Relief Fund. Any unexpended amounts  
2 remaining in the Fund on the last day of the State fiscal year  
3 shall be transferred from the Education Property Tax Relief  
4 Fund to the General Revenue Fund.

5 (c) As used in this Section:

6 "Adjusted maximum aggregate property tax extension" means  
7 the highest aggregate property tax extension that the district  
8 is authorized by law to levy, without regard to this Section,  
9 for the taxable year for which the adjusted maximum aggregate  
10 property tax extension is calculated, minus the grant amount  
11 received by the school district for the fiscal year that ends  
12 during the taxable year for which the adjusted maximum  
13 aggregate property tax extension is calculated.

14 "Aggregate property tax extension" means the annual  
15 corporate extension for the school district and those special  
16 purpose extensions that are made annually for the school  
17 district.

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

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