

1 AN ACT in relation to taxes.

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 15-175 as follows:

6 (35 ILCS 200/15-175)

7 Sec. 15-175. General homestead exemption. Homestead
8 property is entitled to an annual homestead exemption
9 limited, except as described here with relation to
10 cooperatives, to a reduction in the equalized assessed value
11 of homestead property equal to the increase in equalized
12 assessed value for the current assessment year above the
13 equalized assessed value of the property for 1977, up to the
14 maximum reduction set forth below. If however, the 1977
15 equalized assessed value upon which taxes were paid is
16 subsequently determined by local assessing officials, the
17 Property Tax Appeal Board, or a court to have been excessive,
18 the equalized assessed value which should have been placed on
19 the property for 1977 shall be used to determine the amount
20 of the exemption.

21 The maximum reduction shall be \$4,500 plus the additional
22 exemption provided in this paragraph, if applicable, in
23 counties with 3,000,000 or more inhabitants and \$3,500 in all
24 other counties. For owners whose qualified property is in a
25 county with 3,000,000 or more inhabitants and has an assessed
26 valuation that has increased by more than 20% over the
27 previous assessed valuation of that property, there shall be
28 an additional exemption of: \$500 for owners with a household
29 income of \$30,000 or more; \$1,000 for owners with a household
30 income of \$20,000 or more but less than \$30,000; and \$1,500
31 for owners with a household income of less than \$20,000.

1 In counties with fewer than 3,000,000 inhabitants, if,
2 based on the most recent assessment, the equalized assessed
3 value of the homestead property for the current assessment
4 year is greater than the equalized assessed value of the
5 property for 1977, the owner of the property shall
6 automatically receive the exemption granted under this
7 Section in an amount equal to the increase over the 1977
8 assessment up to the maximum reduction set forth in this
9 Section.

10 If in any assessment year beginning with the 2000
11 assessment year, homestead property has a pro-rata valuation
12 under Section 9-180 resulting in an increase in the assessed
13 valuation, a reduction in equalized assessed valuation equal
14 to the increase in equalized assessed value of the property
15 for the year of the pro-rata valuation above the equalized
16 assessed value of the property for 1977 shall be applied to
17 the property on a proportionate basis for the period the
18 property qualified as homestead property during the
19 assessment year. The maximum proportionate homestead
20 exemption shall not exceed the maximum homestead exemption
21 allowed in the county under this Section divided by 365 and
22 multiplied by the number of days the property qualified as
23 homestead property.

24 "Homestead property" under this Section includes
25 residential property that is occupied by its owner or owners
26 as his or their principal dwelling place, or that is a
27 leasehold interest on which a single family residence is
28 situated, which is occupied as a residence by a person who
29 has an ownership interest therein, legal or equitable or as a
30 lessee, and on which the person is liable for the payment of
31 property taxes. For land improved with an apartment building
32 owned and operated as a cooperative or a building which is a
33 life care facility as defined in Section 15-170 and
34 considered to be a cooperative under Section 15-170, the

1 maximum reduction from the equalized assessed value shall be
2 limited to the increase in the value above the equalized
3 assessed value of the property for 1977, up to the maximum
4 reduction set forth above, multiplied by the number of
5 apartments or units occupied by a person or persons who is
6 liable, by contract with the owner or owners of record, for
7 paying property taxes on the property and is an owner of
8 record of a legal or equitable interest in the cooperative
9 apartment building, other than a leasehold interest. For
10 purposes of this Section, the term "life care facility" has
11 the meaning stated in Section 15-170.

12 "Household", as used in this Section, means the owner,
13 the spouse of the owner, and all persons using the residence
14 of the owner as their principal place of residence.

15 "Household income", as used in this Section, means the
16 combined income of the members of a household for the
17 calendar year preceding the taxable year.

18 "Income", as used in this Section, has the same meaning
19 as provided in Section 3.07 of the Senior Citizens and
20 Disabled Persons Property Tax Relief and Pharmaceutical
21 Assistance Act, except that "income" does not include
22 veteran's benefits.

23 In a cooperative where a homestead exemption has been
24 granted, the cooperative association or its management firm
25 shall credit the savings resulting from that exemption only
26 to the apportioned tax liability of the owner who qualified
27 for the exemption. Any person who willfully refuses to so
28 credit the savings shall be guilty of a Class B misdemeanor.

29 Where married persons maintain and reside in separate
30 residences qualifying as homestead property, each residence
31 shall receive 50% of the total reduction in equalized
32 assessed valuation provided by this Section.

33 In counties with more than 3,000,000 inhabitants, the
34 assessor or chief county assessment officer may determine the

1 eligibility of residential property to receive the homestead
2 exemption and the amount of the exemption by application,
3 visual inspection, questionnaire or other reasonable methods.
4 The determination shall be made in accordance with guidelines
5 established by the Department. In counties with fewer than
6 3,000,000 inhabitants, in the event of a sale of homestead
7 property the homestead exemption shall remain in effect for
8 the remainder of the assessment year of the sale. The
9 assessor or chief county assessment officer may require the
10 new owner of the property to apply for the homestead
11 exemption for the following assessment year.

12 (Source: P.A. 90-368, eff. 1-1-98; 90-552, eff. 12-12-97;
13 90-655, eff. 7-30-98; 91-346, eff. 7-29-99.)

14 Section 99. Effective date. This Act takes effect upon
15 becoming law.