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1 AMENDMENT TO SENATE BILL 2112

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 2112 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Economic Development Area Tax Increment  
5 Allocation Act is amended by changing Section 6 as follows:

6 (20 ILCS 620/6) (from Ch. 67 1/2, par. 1006)

7 Sec. 6. Filing with county clerk; certification of initial  
8 equalized assessed value.

9 (a) The municipality shall file a certified copy of any  
10 ordinance authorizing tax increment allocation financing for  
11 an economic development project area with the county clerk, and  
12 the county clerk shall immediately thereafter determine (1) the  
13 most recently ascertained equalized assessed value of each lot,  
14 block, tract or parcel of real property within the economic  
15 development project area from which shall be deducted the  
16 homestead exemptions provided by Sections 15-170, ~~and~~ 15-175,  
17 and 15-176 of the Property Tax Code, which value shall be the  
18 "initial equalized assessed value" of each such piece of  
19 property, and (2) the total equalized assessed value of all  
20 taxable real property within the economic development project  
21 area by adding together the most recently ascertained equalized  
22 assessed value of each taxable lot, block, tract, or parcel of  
23 real property within such economic development project area,  
24 from which shall be deducted the homestead exemptions provided

1 by Sections 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax  
2 Code, and shall certify such amount as the "total initial  
3 equalized assessed value" of the taxable real property within  
4 the economic development project area.

5 (b) After the county clerk has certified the "total initial  
6 equalized assessed value" of the taxable real property in the  
7 economic development project area, then in respect to every  
8 taxing district containing an economic development project  
9 area, the county clerk or any other official required by law to  
10 ascertain the amount of the equalized assessed value of all  
11 taxable property within that taxing district for the purpose of  
12 computing the rate per cent of tax to be extended upon taxable  
13 property within that taxing district, shall in every year that  
14 tax increment allocation financing is in effect ascertain the  
15 amount of value of taxable property in an economic development  
16 project area by including in that amount the lower of the  
17 current equalized assessed value or the certified "total  
18 initial equalized assessed value" of all taxable real property  
19 in such area. The rate per cent of tax determined shall be  
20 extended to the current equalized assessed value of all  
21 property in the economic development project area in the same  
22 manner as the rate per cent of tax is extended to all other  
23 taxable property in the taxing district. The method of  
24 allocating taxes established under this Section shall  
25 terminate when the municipality adopts an ordinance dissolving  
26 the special tax allocation fund for the economic development  
27 project area, terminating the economic development project  
28 area, and terminating the use of tax increment allocation  
29 financing for the economic development project area. This Act  
30 shall not be construed as relieving property owners within an  
31 economic development project area from paying a uniform rate of  
32 taxes upon the current equalized assessed value of their  
33 taxable property as provided in the Property Tax Code.

34 (Source: P.A. 88-670, eff. 12-2-94.)

1 Section 10. The Property Tax Code is amended by changing  
2 Sections 14-15, 15-10, 15-170, 15-172, 15-175, 15-180, and  
3 20-178 and by adding Section 15-176 as follows:

4 (35 ILCS 200/14-15)

5 Sec. 14-15. Certificate of error; counties of 3,000,000 or  
6 more.

7 (a) In counties with 3,000,000 or more inhabitants, if,  
8 after the assessment is certified pursuant to Section 16-150,  
9 but subject to the limitations of subsection (c) of this  
10 Section, the county assessor discovers an error or mistake in  
11 the assessment, the assessor shall execute a certificate  
12 setting forth the nature and cause of the error. The  
13 certificate when endorsed by the county assessor, or when  
14 endorsed by the county assessor and board of appeals (until the  
15 first Monday in December 1998 and the board of review beginning  
16 the first Monday in December 1998 and thereafter) where the  
17 certificate is executed for any assessment which was the  
18 subject of a complaint filed in the board of appeals (until the  
19 first Monday in December 1998 and the board of review beginning  
20 the first Monday in December 1998 and thereafter) for the tax  
21 year for which the certificate is issued, may, either be  
22 certified according to the procedure authorized by this Section  
23 or be presented and received in evidence in any court of  
24 competent jurisdiction. Certification is authorized, at the  
25 discretion of the county assessor, for: (1) certificates of  
26 error allowing homestead exemptions pursuant to Sections  
27 15-170, 15-172, ~~and~~ 15-175, and 15-176; (2) certificates of  
28 error on residential property of 6 units or less; (3)  
29 certificates of error allowing exemption of the property  
30 pursuant to Section 14-25; and (4) other certificates of error  
31 reducing assessed value by less than \$100,000. Any certificate  
32 of error not certified shall be presented to the court. The

1 county assessor shall develop reasonable procedures for the  
2 filing and processing of certificates of error. Prior to the  
3 certification or presentation to the court, the county assessor  
4 or his or her designee shall execute and include in the  
5 certificate of error a statement attesting that all procedural  
6 requirements pertaining to the issuance of the certificate of  
7 error have been met and that in fact an error exists. When so  
8 introduced in evidence such certificate shall become a part of  
9 the court records, and shall not be removed from the files  
10 except upon the order of the court.

11 Certificates of error that will be presented to the court  
12 shall be filed as an objection in the application for judgment  
13 and order of sale for the year in relation to which the  
14 certificate is made or as an amendment to the objection under  
15 subsection (b). Certificates of error that are to be certified  
16 according to the procedure authorized by this Section need not  
17 be presented to the court as an objection or an amendment under  
18 subsection (b). The State's Attorney of the county in which the  
19 property is situated shall mail a copy of any final judgment  
20 entered by the court regarding any certificate of error to the  
21 taxpayer of record for the year in question.

22 Any unpaid taxes after the entry of the final judgment by  
23 the court or certification on certificates issued under this  
24 Section may be included in a special tax sale, provided that an  
25 advertisement is published and a notice is mailed to the person  
26 in whose name the taxes were last assessed, in a form and  
27 manner substantially similar to the advertisement and notice  
28 required under Sections 21-110 and 21-135. The advertisement  
29 and sale shall be subject to all provisions of law regulating  
30 the annual advertisement and sale of delinquent property, to  
31 the extent that those provisions may be made applicable.

32 A certificate of error certified under this Section shall  
33 be given effect by the county treasurer, who shall mark the tax  
34 books and, upon receipt of one of the following certificates

1 from the county assessor or the county assessor and the board  
 2 of review where the board of review is required to endorse the  
 3 certificate of error, shall issue refunds to the taxpayer  
 4 accordingly:

5 "CERTIFICATION

6 I, ....., county assessor, hereby certify  
 7 that the Certificates of Error set out on the attached list  
 8 have been duly issued to correct an error or mistake in the  
 9 assessment."

10 "CERTIFICATION

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

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

27 To the extent that the certificate of error obviates the  
 28 liability for nonpayment of taxes, certification of a  
 29 certificate of error according to the procedure authorized in  
 30 this Section shall operate to vacate any judgment or forfeiture  
 31 as to that year's taxes, and the warrant books and judgment

1 books shall be marked to reflect that the judgment or  
2 forfeiture has been vacated.

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

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

22 (d) The time limitation of subsection (c) shall not apply  
23 to a certificate of error correcting an assessment to \$1, under  
24 Section 10-35, on a parcel that a subdivision or planned  
25 development has acquired by adverse possession, if during the  
26 tax year for which the certificate is executed the subdivision  
27 or planned development used the parcel as common area, as  
28 defined in Section 10-35, and if application for the  
29 certificate of error is made prior to December 1, 1997.

30 (e) The changes made by this amendatory Act of the 91st  
31 General Assembly apply to certificates of error issued before,  
32 on, and after the effective date of this amendatory Act of the  
33 91st General Assembly.

34 (Source: P.A. 90-4, eff. 3-7-97; 90-288, eff. 8-1-97; 90-655,

1 eff. 7-30-98; 91-393, eff. 7-30-99; 91-686, eff. 1-26-00.)

2 (35 ILCS 200/15-10)

3 Sec. 15-10. Exempt property; procedures for certification.  
4 All property granted an exemption by the Department pursuant to  
5 the requirements of Section 15-5 and described in the Sections  
6 following Section 15-30 and preceding Section 16-5, to the  
7 extent therein limited, is exempt from taxation. In order to  
8 maintain that exempt status, the titleholder or the owner of  
9 the beneficial interest of any property that is exempt must  
10 file with the chief county assessment officer, on or before  
11 January 31 of each year (May 31 in the case of property  
12 exempted by Section 15-170), an affidavit stating whether there  
13 has been any change in the ownership or use of the property or  
14 the status of the owner-resident, or that a disabled veteran  
15 who qualifies under Section 15-165 owned and used the property  
16 as of January 1 of that year. The nature of any change shall be  
17 stated in the affidavit. Failure to file an affidavit shall, in  
18 the discretion of the assessment officer, constitute cause to  
19 terminate the exemption of that property, notwithstanding any  
20 other provision of this Code. Owners of 5 or more such exempt  
21 parcels within a county may file a single annual affidavit in  
22 lieu of an affidavit for each parcel. The assessment officer,  
23 upon request, shall furnish an affidavit form to the owners, in  
24 which the owner may state whether there has been any change in  
25 the ownership or use of the property or status of the owner or  
26 resident as of January 1 of that year. The owner of 5 or more  
27 exempt parcels shall list all the properties giving the same  
28 information for each parcel as required of owners who file  
29 individual affidavits.

30 However, titleholders or owners of the beneficial interest  
31 in any property exempted under any of the following provisions  
32 are not required to submit an annual filing under this Section:

33 (1) Section 15-45 (burial grounds) in counties of less

1 than 3,000,000 inhabitants and owned by a not-for-profit  
2 organization.

3 (2) Section 15-40.

4 (3) Section 15-50 (United States property).

5 If there is a change in use or ownership, however, notice  
6 must be filed pursuant to Section 15-20.

7 An application for homestead exemptions shall be filed as  
8 provided in Section 15-170 (senior citizens homestead  
9 exemption), Section 15-172 (senior citizens assessment freeze  
10 homestead exemption), and Sections ~~Section~~ 15-175 and 15-176  
11 (general homestead exemption), respectively.

12 (Source: P.A. 92-333, eff. 8-10-01; 92-729, eff. 7-25-02.)

13 (35 ILCS 200/15-170)

14 Sec. 15-170. Senior Citizens Homestead Exemption. An  
15 annual homestead exemption limited, except as described here  
16 with relation to cooperatives or life care facilities, to a  
17 maximum reduction set forth below from the property's value, as  
18 equalized or assessed by the Department, is granted for  
19 property that is occupied as a residence by a person 65 years  
20 of age or older who is liable for paying real estate taxes on  
21 the property and is an owner of record of the property or has a  
22 legal or equitable interest therein as evidenced by a written  
23 instrument, except for a leasehold interest, other than a  
24 leasehold interest of land on which a single family residence  
25 is located, which is occupied as a residence by a person 65  
26 years or older who has an ownership interest therein, legal,  
27 equitable or as a lessee, and on which he or she is liable for  
28 the payment of property taxes. Before taxable year 2004, the  
29 ~~The~~ maximum reduction shall be \$2,500 in counties with  
30 3,000,000 or more inhabitants and \$2,000 in all other counties.  
31 For taxable years 2004 and thereafter, the maximum reduction  
32 shall be \$3,000 in all counties. For land improved with an  
33 apartment building owned and operated as a cooperative, the



1 maximum reduction from the value of the property, as equalized  
2 by the Department, shall be multiplied by the number of  
3 apartments or units occupied by a person 65 years of age or  
4 older who is liable, by contract with the owner or owners of  
5 record, for paying property taxes on the property and is an  
6 owner of record of a legal or equitable interest in the  
7 cooperative apartment building, other than a leasehold  
8 interest. For land improved with a life care facility, the  
9 maximum reduction from the value of the property, as equalized  
10 by the Department, shall be multiplied by the number of  
11 apartments or units occupied by persons 65 years of age or  
12 older, irrespective of any legal, equitable, or leasehold  
13 interest in the facility, who are liable, under a contract with  
14 the owner or owners of record of the facility, for paying  
15 property taxes on the property. In a cooperative or a life care  
16 facility where a homestead exemption has been granted, the  
17 cooperative association or the management firm of the  
18 cooperative or facility shall credit the savings resulting from  
19 that exemption only to the apportioned tax liability of the  
20 owner or resident who qualified for the exemption. Any person  
21 who willfully refuses to so credit the savings shall be guilty  
22 of a Class B misdemeanor. Under this Section and Sections  
23 ~~Section~~ 15-175 and 15-176, "life care facility" means a  
24 facility as defined in Section 2 of the Life Care Facilities  
25 Act, with which the applicant for the homestead exemption has a  
26 life care contract as defined in that Act.

27 When a homestead exemption has been granted under this  
28 Section and the person qualifying subsequently becomes a  
29 resident of a facility licensed under the Nursing Home Care  
30 Act, the exemption shall continue so long as the residence  
31 continues to be occupied by the qualifying person's spouse if  
32 the spouse is 65 years of age or older, or if the residence  
33 remains unoccupied but is still owned by the person qualified  
34 for the homestead exemption.

1           A person who will be 65 years of age during the current  
2 assessment year shall be eligible to apply for the homestead  
3 exemption during that assessment year. Application shall be  
4 made during the application period in effect for the county of  
5 his residence.

6           Beginning with assessment year 2003, for taxes payable in  
7 2004, property that is first occupied as a residence after  
8 January 1 of any assessment year by a person who is eligible  
9 for the senior citizens homestead exemption under this Section  
10 must be granted a pro-rata exemption for the assessment year.  
11 The amount of the pro-rata exemption is the exemption allowed  
12 in the county under this Section divided by 365 and multiplied  
13 by the number of days during the assessment year the property  
14 is occupied as a residence by a person eligible for the  
15 exemption under this Section. The chief county assessment  
16 officer must adopt reasonable procedures to establish  
17 eligibility for this pro-rata exemption.

18           The assessor or chief county assessment officer may  
19 determine the eligibility of a life care facility to receive  
20 the benefits provided by this Section, by affidavit,  
21 application, visual inspection, questionnaire or other  
22 reasonable methods in order to insure that the tax savings  
23 resulting from the exemption are credited by the management  
24 firm to the apportioned tax liability of each qualifying  
25 resident. The assessor may request reasonable proof that the  
26 management firm has so credited the exemption.

27           The chief county assessment officer of each county with  
28 less than 3,000,000 inhabitants shall provide to each person  
29 allowed a homestead exemption under this Section a form to  
30 designate any other person to receive a duplicate of any notice  
31 of delinquency in the payment of taxes assessed and levied  
32 under this Code on the property of the person receiving the  
33 exemption. The duplicate notice shall be in addition to the  
34 notice required to be provided to the person receiving the

1 exemption, and shall be given in the manner required by this  
2 Code. The person filing the request for the duplicate notice  
3 shall pay a fee of \$5 to cover administrative costs to the  
4 supervisor of assessments, who shall then file the executed  
5 designation with the county collector. Notwithstanding any  
6 other provision of this Code to the contrary, the filing of  
7 such an executed designation requires the county collector to  
8 provide duplicate notices as indicated by the designation. A  
9 designation may be rescinded by the person who executed such  
10 designation at any time, in the manner and form required by the  
11 chief county assessment officer.

12 The assessor or chief county assessment officer may  
13 determine the eligibility of residential property to receive  
14 the homestead exemption provided by this Section by  
15 application, visual inspection, questionnaire or other  
16 reasonable methods. The determination shall be made in  
17 accordance with guidelines established by the Department.

18 In counties with less than 3,000,000 inhabitants, the  
19 county board may by resolution provide that if a person has  
20 been granted a homestead exemption under this Section, the  
21 person qualifying need not reapply for the exemption.

22 In counties with less than 3,000,000 inhabitants, if the  
23 assessor or chief county assessment officer requires annual  
24 application for verification of eligibility for an exemption  
25 once granted under this Section, the application shall be  
26 mailed to the taxpayer.

27 The assessor or chief county assessment officer shall  
28 notify each person who qualifies for an exemption under this  
29 Section that the person may also qualify for deferral of real  
30 estate taxes under the Senior Citizens Real Estate Tax Deferral  
31 Act. The notice shall set forth the qualifications needed for  
32 deferral of real estate taxes, the address and telephone number  
33 of county collector, and a statement that applications for  
34 deferral of real estate taxes may be obtained from the county

1 collector.

2 Notwithstanding Sections 6 and 8 of the State Mandates Act,  
3 no reimbursement by the State is required for the  
4 implementation of any mandate created by this Section.

5 (Source: P.A. 92-196, eff. 1-1-02; 93-511, eff. 8-11-03.)

6 (35 ILCS 200/15-172)

7 Sec. 15-172. Senior Citizens Assessment Freeze Homestead  
8 Exemption.

9 (a) This Section may be cited as the Senior Citizens  
10 Assessment Freeze Homestead Exemption.

11 (b) As used in this Section:

12 "Applicant" means an individual who has filed an  
13 application under this Section.

14 "Base amount" means the base year equalized assessed value  
15 of the residence plus the first year's equalized assessed value  
16 of any added improvements which increased the assessed value of  
17 the residence after the base year.

18 "Base year" means the taxable year prior to the taxable  
19 year for which the applicant first qualifies and applies for  
20 the exemption provided that in the prior taxable year the  
21 property was improved with a permanent structure that was  
22 occupied as a residence by the applicant who was liable for  
23 paying real property taxes on the property and who was either  
24 (i) an owner of record of the property or had legal or  
25 equitable interest in the property as evidenced by a written  
26 instrument or (ii) had a legal or equitable interest as a  
27 lessee in the parcel of property that was single family  
28 residence. If in any subsequent taxable year for which the  
29 applicant applies and qualifies for the exemption the equalized  
30 assessed value of the residence is less than the equalized  
31 assessed value in the existing base year (provided that such  
32 equalized assessed value is not based on an assessed value that  
33 results from a temporary irregularity in the property that

1 reduces the assessed value for one or more taxable years), then  
2 that subsequent taxable year shall become the base year until a  
3 new base year is established under the terms of this paragraph.  
4 For taxable year 1999 only, the Chief County Assessment Officer  
5 shall review (i) all taxable years for which the applicant  
6 applied and qualified for the exemption and (ii) the existing  
7 base year. The assessment officer shall select as the new base  
8 year the year with the lowest equalized assessed value. An  
9 equalized assessed value that is based on an assessed value  
10 that results from a temporary irregularity in the property that  
11 reduces the assessed value for one or more taxable years shall  
12 not be considered the lowest equalized assessed value. The  
13 selected year shall be the base year for taxable year 1999 and  
14 thereafter until a new base year is established under the terms  
15 of this paragraph.

16 "Chief County Assessment Officer" means the County  
17 Assessor or Supervisor of Assessments of the county in which  
18 the property is located.

19 "Equalized assessed value" means the assessed value as  
20 equalized by the Illinois Department of Revenue.

21 "Household" means the applicant, the spouse of the  
22 applicant, and all persons using the residence of the applicant  
23 as their principal place of residence.

24 "Household income" means the combined income of the members  
25 of a household for the calendar year preceding the taxable  
26 year.

27 "Income" has the same meaning as provided in Section 3.07  
28 of the Senior Citizens and Disabled Persons Property Tax Relief  
29 and Pharmaceutical Assistance Act, except that, beginning in  
30 assessment year 2001, "income" does not include veteran's  
31 benefits.

32 "Internal Revenue Code of 1986" means the United States  
33 Internal Revenue Code of 1986 or any successor law or laws  
34 relating to federal income taxes in effect for the year

1 preceding the taxable year.

2 "Life care facility that qualifies as a cooperative" means  
3 a facility as defined in Section 2 of the Life Care Facilities  
4 Act.

5 "Residence" means the principal dwelling place and  
6 appurtenant structures used for residential purposes in this  
7 State occupied on January 1 of the taxable year by a household  
8 and so much of the surrounding land, constituting the parcel  
9 upon which the dwelling place is situated, as is used for  
10 residential purposes. If the Chief County Assessment Officer  
11 has established a specific legal description for a portion of  
12 property constituting the residence, then that portion of  
13 property shall be deemed the residence for the purposes of this  
14 Section.

15 "Taxable year" means the calendar year during which ad  
16 valorem property taxes payable in the next succeeding year are  
17 levied.

18 (c) Beginning in taxable year 1994, a senior citizens  
19 assessment freeze homestead exemption is granted for real  
20 property that is improved with a permanent structure that is  
21 occupied as a residence by an applicant who (i) is 65 years of  
22 age or older during the taxable year, (ii) has a household  
23 income of \$35,000 or less prior to taxable year 1999, ~~or~~  
24 \$40,000 or less in taxable years ~~year~~ 1999 through 2003, and  
25 \$45,000 or less in taxable year 2004 and thereafter, (iii) is  
26 liable for paying real property taxes on the property, and (iv)  
27 is an owner of record of the property or has a legal or  
28 equitable interest in the property as evidenced by a written  
29 instrument. This homestead exemption shall also apply to a  
30 leasehold interest in a parcel of property improved with a  
31 permanent structure that is a single family residence that is  
32 occupied as a residence by a person who (i) is 65 years of age  
33 or older during the taxable year, (ii) has a household income  
34 of \$35,000 or less prior to taxable year 1999, ~~or~~ \$40,000 or

1 less in taxable years ~~year~~ 1999 through 2003, and \$45,000 or  
2 less in taxable year 2004 and thereafter, (iii) has a legal or  
3 equitable ownership interest in the property as lessee, and  
4 (iv) is liable for the payment of real property taxes on that  
5 property.

6 The amount of this exemption shall be the equalized  
7 assessed value of the residence in the taxable year for which  
8 application is made minus the base amount.

9 When the applicant is a surviving spouse of an applicant  
10 for a prior year for the same residence for which an exemption  
11 under this Section has been granted, the base year and base  
12 amount for that residence are the same as for the applicant for  
13 the prior year.

14 Each year at the time the assessment books are certified to  
15 the County Clerk, the Board of Review or Board of Appeals shall  
16 give to the County Clerk a list of the assessed values of  
17 improvements on each parcel qualifying for this exemption that  
18 were added after the base year for this parcel and that  
19 increased the assessed value of the property.

20 In the case of land improved with an apartment building  
21 owned and operated as a cooperative or a building that is a  
22 life care facility that qualifies as a cooperative, the maximum  
23 reduction from the equalized assessed value of the property is  
24 limited to the sum of the reductions calculated for each unit  
25 occupied as a residence by a person or persons (i) 65 years of  
26 age or older, (ii) with a household income of \$35,000 or less  
27 prior to taxable year 1999, ~~or~~ \$40,000 or less in taxable years  
28 year 1999 through 2003, and \$45,000 or less in taxable year  
29 2004 and thereafter, (iii) who is liable, by contract with the  
30 owner or owners of record, for paying real property taxes on  
31 the property, and (iv) who is an owner of record of a legal or  
32 equitable interest in the cooperative apartment building,  
33 other than a leasehold interest. In the instance of a  
34 cooperative where a homestead exemption has been granted under

1 this Section, the cooperative association or its management  
2 firm shall credit the savings resulting from that exemption  
3 only to the apportioned tax liability of the owner who  
4 qualified for the exemption. Any person who willfully refuses  
5 to credit that savings to an owner who qualifies for the  
6 exemption is guilty of a Class B misdemeanor.

7 When a homestead exemption has been granted under this  
8 Section and an applicant then becomes a resident of a facility  
9 licensed under the Nursing Home Care Act, the exemption shall  
10 be granted in subsequent years so long as the residence (i)  
11 continues to be occupied by the qualified applicant's spouse or  
12 (ii) if remaining unoccupied, is still owned by the qualified  
13 applicant for the homestead exemption.

14 Beginning January 1, 1997, when an individual dies who  
15 would have qualified for an exemption under this Section, and  
16 the surviving spouse does not independently qualify for this  
17 exemption because of age, the exemption under this Section  
18 shall be granted to the surviving spouse for the taxable year  
19 preceding and the taxable year of the death, provided that,  
20 except for age, the surviving spouse meets all other  
21 qualifications for the granting of this exemption for those  
22 years.

23 When married persons maintain separate residences, the  
24 exemption provided for in this Section may be claimed by only  
25 one of such persons and for only one residence.

26 For taxable year 1994 only, in counties having less than  
27 3,000,000 inhabitants, to receive the exemption, a person shall  
28 submit an application by February 15, 1995 to the Chief County  
29 Assessment Officer of the county in which the property is  
30 located. In counties having 3,000,000 or more inhabitants, for  
31 taxable year 1994 and all subsequent taxable years, to receive  
32 the exemption, a person may submit an application to the Chief  
33 County Assessment Officer of the county in which the property  
34 is located during such period as may be specified by the Chief



1 County Assessment Officer. The Chief County Assessment Officer  
2 in counties of 3,000,000 or more inhabitants shall annually  
3 give notice of the application period by mail or by  
4 publication. In counties having less than 3,000,000  
5 inhabitants, beginning with taxable year 1995 and thereafter,  
6 to receive the exemption, a person shall submit an application  
7 by July 1 of each taxable year to the Chief County Assessment  
8 Officer of the county in which the property is located. A  
9 county may, by ordinance, establish a date for submission of  
10 applications that is different than July 1. The applicant shall  
11 submit with the application an affidavit of the applicant's  
12 total household income, age, marital status (and if married the  
13 name and address of the applicant's spouse, if known), and  
14 principal dwelling place of members of the household on January  
15 1 of the taxable year. The Department shall establish, by rule,  
16 a method for verifying the accuracy of affidavits filed by  
17 applicants under this Section. The applications shall be  
18 clearly marked as applications for the Senior Citizens  
19 Assessment Freeze Homestead Exemption.

20 Notwithstanding any other provision to the contrary, in  
21 counties having fewer than 3,000,000 inhabitants, if an  
22 applicant fails to file the application required by this  
23 Section in a timely manner and this failure to file is due to a  
24 mental or physical condition sufficiently severe so as to  
25 render the applicant incapable of filing the application in a  
26 timely manner, the Chief County Assessment Officer may extend  
27 the filing deadline for a period of 30 days after the applicant  
28 regains the capability to file the application, but in no case  
29 may the filing deadline be extended beyond 3 months of the  
30 original filing deadline. In order to receive the extension  
31 provided in this paragraph, the applicant shall provide the  
32 Chief County Assessment Officer with a signed statement from  
33 the applicant's physician stating the nature and extent of the  
34 condition, that, in the physician's opinion, the condition was

1 so severe that it rendered the applicant incapable of filing  
2 the application in a timely manner, and the date on which the  
3 applicant regained the capability to file the application.

4 Beginning January 1, 1998, notwithstanding any other  
5 provision to the contrary, in counties having fewer than  
6 3,000,000 inhabitants, if an applicant fails to file the  
7 application required by this Section in a timely manner and  
8 this failure to file is due to a mental or physical condition  
9 sufficiently severe so as to render the applicant incapable of  
10 filing the application in a timely manner, the Chief County  
11 Assessment Officer may extend the filing deadline for a period  
12 of 3 months. In order to receive the extension provided in this  
13 paragraph, the applicant shall provide the Chief County  
14 Assessment Officer with a signed statement from the applicant's  
15 physician stating the nature and extent of the condition, and  
16 that, in the physician's opinion, the condition was so severe  
17 that it rendered the applicant incapable of filing the  
18 application in a timely manner.

19 In counties having less than 3,000,000 inhabitants, if an  
20 applicant was denied an exemption in taxable year 1994 and the  
21 denial occurred due to an error on the part of an assessment  
22 official, or his or her agent or employee, then beginning in  
23 taxable year 1997 the applicant's base year, for purposes of  
24 determining the amount of the exemption, shall be 1993 rather  
25 than 1994. In addition, in taxable year 1997, the applicant's  
26 exemption shall also include an amount equal to (i) the amount  
27 of any exemption denied to the applicant in taxable year 1995  
28 as a result of using 1994, rather than 1993, as the base year,  
29 (ii) the amount of any exemption denied to the applicant in  
30 taxable year 1996 as a result of using 1994, rather than 1993,  
31 as the base year, and (iii) the amount of the exemption  
32 erroneously denied for taxable year 1994.

33 For purposes of this Section, a person who will be 65 years  
34 of age during the current taxable year shall be eligible to

1 apply for the homestead exemption during that taxable year.  
2 Application shall be made during the application period in  
3 effect for the county of his or her residence.

4 The Chief County Assessment Officer may determine the  
5 eligibility of a life care facility that qualifies as a  
6 cooperative to receive the benefits provided by this Section by  
7 use of an affidavit, application, visual inspection,  
8 questionnaire, or other reasonable method in order to insure  
9 that the tax savings resulting from the exemption are credited  
10 by the management firm to the apportioned tax liability of each  
11 qualifying resident. The Chief County Assessment Officer may  
12 request reasonable proof that the management firm has so  
13 credited that exemption.

14 Except as provided in this Section, all information  
15 received by the chief county assessment officer or the  
16 Department from applications filed under this Section, or from  
17 any investigation conducted under the provisions of this  
18 Section, shall be confidential, except for official purposes or  
19 pursuant to official procedures for collection of any State or  
20 local tax or enforcement of any civil or criminal penalty or  
21 sanction imposed by this Act or by any statute or ordinance  
22 imposing a State or local tax. Any person who divulges any such  
23 information in any manner, except in accordance with a proper  
24 judicial order, is guilty of a Class A misdemeanor.

25 Nothing contained in this Section shall prevent the  
26 Director or chief county assessment officer from publishing or  
27 making available reasonable statistics concerning the  
28 operation of the exemption contained in this Section in which  
29 the contents of claims are grouped into aggregates in such a  
30 way that information contained in any individual claim shall  
31 not be disclosed.

32 (d) Each Chief County Assessment Officer shall annually  
33 publish a notice of availability of the exemption provided  
34 under this Section. The notice shall be published at least 60

1 days but no more than 75 days prior to the date on which the  
2 application must be submitted to the Chief County Assessment  
3 Officer of the county in which the property is located. The  
4 notice shall appear in a newspaper of general circulation in  
5 the county.

6 Notwithstanding Sections 6 and 8 of the State Mandates Act,  
7 no reimbursement by the State is required for the  
8 implementation of any mandate created by this Section.

9 (Source: P.A. 90-14, eff. 7-1-97; 90-204, eff. 7-25-97; 90-523,  
10 eff. 11-13-97; 90-524, eff. 1-1-98; 90-531, eff. 1-1-98;  
11 90-655, eff. 7-30-98; 91-45, eff. 6-30-99; 91-56, eff. 6-30-99;  
12 91-819, eff. 6-13-00.)

13 (35 ILCS 200/15-175)

14 Sec. 15-175. General homestead exemption. Except as  
15 provided in Section 15-176, homestead property is entitled to  
16 an annual homestead exemption limited, except as described here  
17 with relation to cooperatives, to a reduction in the equalized  
18 assessed value of homestead property equal to the increase in  
19 equalized assessed value for the current assessment year above  
20 the equalized assessed value of the property for 1977, up to  
21 the maximum reduction set forth below. If however, the 1977  
22 equalized assessed value upon which taxes were paid is  
23 subsequently determined by local assessing officials, the  
24 Property Tax Appeal Board, or a court to have been excessive,  
25 the equalized assessed value which should have been placed on  
26 the property for 1977 shall be used to determine the amount of  
27 the exemption.

28 Except as provided in Section 15-176, the maximum reduction  
29 before taxable year 2004 shall be \$4,500 in counties with  
30 3,000,000 or more inhabitants and \$3,500 in all other counties.  
31 Except as provided in Section 15-176, for taxable years 2004  
32 and thereafter, the maximum reduction shall be \$5,000 in all  
33 counties. If a county has elected to subject itself to the

1 provisions of Section 15-176 as provided in subsection (k) of  
2 that Section, then, for the first taxable year only after the  
3 provisions of Section 15-176 no longer apply, for owners (i)  
4 who have not been granted a senior citizens assessment freeze  
5 homestead exemption under Section 15-172 for the taxable year  
6 and (ii) whose qualified property has an assessed valuation  
7 that has increased by more than 20% over the previous assessed  
8 valuation of the property, there shall be an additional  
9 exemption of \$5,000 for owners with a household income of  
10 \$30,000 or less. For purposes of this paragraph, "household  
11 income" has the meaning set forth in this Section 15-175.

12 In counties with fewer than 3,000,000 inhabitants, if,  
13 based on the most recent assessment, the equalized assessed  
14 value of the homestead property for the current assessment year  
15 is greater than the equalized assessed value of the property  
16 for 1977, the owner of the property shall automatically receive  
17 the exemption granted under this Section in an amount equal to  
18 the increase over the 1977 assessment up to the maximum  
19 reduction set forth in this Section.

20 If in any assessment year beginning with the 2000  
21 assessment year, homestead property has a pro-rata valuation  
22 under Section 9-180 resulting in an increase in the assessed  
23 valuation, a reduction in equalized assessed valuation equal to  
24 the increase in equalized assessed value of the property for  
25 the year of the pro-rata valuation above the equalized assessed  
26 value of the property for 1977 shall be applied to the property  
27 on a proportionate basis for the period the property qualified  
28 as homestead property during the assessment year. The maximum  
29 proportionate homestead exemption shall not exceed the maximum  
30 homestead exemption allowed in the county under this Section  
31 divided by 365 and multiplied by the number of days the  
32 property qualified as homestead property.

33 "Homestead property" under this Section includes  
34 residential property that is occupied by its owner or owners as

1 his or their principal dwelling place, or that is a leasehold  
2 interest on which a single family residence is situated, which  
3 is occupied as a residence by a person who has an ownership  
4 interest therein, legal or equitable or as a lessee, and on  
5 which the person is liable for the payment of property taxes.  
6 For land improved with an apartment building owned and operated  
7 as a cooperative or a building which is a life care facility as  
8 defined in Section 15-170 and considered to be a cooperative  
9 under Section 15-170, the maximum reduction from the equalized  
10 assessed value shall be limited to the increase in the value  
11 above the equalized assessed value of the property for 1977, up  
12 to the maximum reduction set forth above, multiplied by the  
13 number of apartments or units occupied by a person or persons  
14 who is liable, by contract with the owner or owners of record,  
15 for paying property taxes on the property and is an owner of  
16 record of a legal or equitable interest in the cooperative  
17 apartment building, other than a leasehold interest. For  
18 purposes of this Section, the term "life care facility" has the  
19 meaning stated in Section 15-170.

20 "Household", as used in this Section, means the owner, the  
21 spouse of the owner, and all persons using the residence of the  
22 owner as their principal place of residence.

23 "Household income", as used in this Section, means the  
24 combined income of the members of a household for the calendar  
25 year preceding the taxable year.

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

30 In a cooperative where a homestead exemption has been  
31 granted, the cooperative association or its management firm  
32 shall credit the savings resulting from that exemption only to  
33 the apportioned tax liability of the owner who qualified for  
34 the exemption. Any person who willfully refuses to so credit

1 the savings shall be guilty of a Class B misdemeanor.

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

6 In all counties ~~with more than 3,000,000 inhabitants~~, the  
7 assessor or chief county assessment officer may determine the  
8 eligibility of residential property to receive the homestead  
9 exemption and the amount of the exemption by application,  
10 visual inspection, questionnaire or other reasonable methods.  
11 The determination shall be made in accordance with guidelines  
12 established by the Department, provided that the taxpayer  
13 applying for an additional general exemption under this Section  
14 shall submit to the chief county assessment officer an  
15 application with an affidavit of the applicant's total  
16 household income, age, marital status (and, if married, the  
17 name and address of the applicant's spouse, if known), and  
18 principal dwelling place of members of the household on January  
19 1 of the taxable year. The Department shall issue guidelines  
20 establishing a method for verifying the accuracy of the  
21 affidavits filed by applicants under this paragraph. The  
22 applications shall be clearly marked as applications for the  
23 Additional General Homestead Exemption.

24 In counties with fewer than 3,000,000 inhabitants, in the  
25 event of a sale of homestead property the homestead exemption  
26 shall remain in effect for the remainder of the assessment year  
27 of the sale. The assessor or chief county assessment officer  
28 may require the new owner of the property to apply for the  
29 homestead exemption for the following assessment year.

30 Notwithstanding Sections 6 and 8 of the State Mandates Act,  
31 no reimbursement by the State is required for the  
32 implementation of any mandate created by this Section.

33 (Source: P.A. 90-368, eff. 1-1-98; 90-552, eff. 12-12-97;  
34 90-655, eff. 7-30-98; 91-346, eff. 7-29-99.)

1 (35 ILCS 200/15-176 new)

2 Sec. 15-176. Alternative general homestead exemption.

3 (a) For the assessment years as determined under subsection  
4 (j), in any county that has elected, by an ordinance in  
5 accordance with subsection (k), to be subject to the provisions  
6 of this Section in lieu of the provisions of Section 15-175,  
7 homestead property is entitled to an annual homestead exemption  
8 equal to a reduction in the property's equalized assessed value  
9 calculated as provided in this Section.

10 (b) As used in this Section:

11 (1) "Assessor" means the supervisor of assessments or  
12 the chief county assessment officer of each county.

13 (2) "Adjusted homestead value" means the lesser of the  
14 following values:

15 (A) The property's base homestead value increased  
16 by 7% for each tax year after the base year through and  
17 including the current tax year, or, if the property is  
18 sold or ownership is otherwise transferred, the  
19 property's base homestead value increased by 7% for  
20 each tax year after the year of the sale or transfer  
21 through and including the current tax year. The  
22 increase by 7% each year is an increase by 7% over the  
23 prior year.

24 (B) The property's equalized assessed value for  
25 the current tax year minus (i) \$4,500 in Cook County or  
26 \$3,500 in all other counties in tax year 2003 or (ii)  
27 \$5,000 in all counties in tax year 2004 and thereafter.

28 (3) "Base homestead value".

29 (A) Except as provided in subdivision ((b)(3)(B),  
30 "base homestead value" means the equalized assessed  
31 value of the property for the base year prior to  
32 exemptions, minus (i) \$4,500 in Cook County or \$3,500  
33 in all other counties in tax year 2003 or (ii) \$5,000



1 in all counties in tax year 2004 and thereafter,  
2 provided that it was assessed for that year as  
3 residential property qualified for any of the  
4 homestead exemptions under Sections 15-170 through  
5 15-175 of this Code, then in force, and further  
6 provided that the property's assessment was not based  
7 on a reduced assessed value resulting from a temporary  
8 irregularity in the property for that year. Except as  
9 provided in subdivision (b) (3) (B), if the property did  
10 not have a residential equalized assessed value for the  
11 base year, then "base homestead value" means the base  
12 homestead value established by the assessor under  
13 subsection (c).

14 (B) If the property is sold or ownership is  
15 otherwise transferred, other than sales or transfers  
16 between spouses or between a parent and a child, "base  
17 homestead value" means the equalized assessed value of  
18 the property at the time of the sale or transfer prior  
19 to exemptions, minus (i) \$4,500 in Cook County or  
20 \$3,500 in all other counties in tax year 2003 or (ii)  
21 \$5,000 in all counties in tax year 2004 and thereafter,  
22 provided that it was assessed as residential property  
23 qualified for any of the homestead exemptions under  
24 Sections 15-170 through 15-175 of this Code, then in  
25 force, and further provided that the property's  
26 assessment was not based on a reduced assessed value  
27 resulting from a temporary irregularity in the  
28 property.

29 (3.5) "Base year" means (i) tax year 2002 in Cook  
30 County or (ii) tax year 2002 or 2003 in all other counties  
31 in accordance with the designation made by the county as  
32 provided in subsection (k).

33 (4) "Current tax year" means the tax year for which the  
34 exemption under this Section is being applied.

1           (5) "Equalized assessed value" means the property's  
2           assessed value as equalized by the Department.

3           (6) "Homestead" or "homestead property" means:

4           (A) Residential property that as of January 1 of  
5           the tax year is occupied by its owner or owners as his,  
6           her, or their principal dwelling place, or that is a  
7           leasehold interest on which a single family residence  
8           is situated, that is occupied as a residence by a  
9           person who has a legal or equitable interest therein  
10           evidenced by a written instrument, as an owner or as a  
11           lessee, and on which the person is liable for the  
12           payment of property taxes. Residential units in an  
13           apartment building owned and operated as a  
14           cooperative, or as a life care facility, which are  
15           occupied by persons who hold a legal or equitable  
16           interest in the cooperative apartment building or life  
17           care facility as owners or lessees, and who are liable  
18           by contract for the payment of property taxes, shall be  
19           included within this definition of homestead property.

20           (B) A homestead includes the dwelling place,  
21           appurtenant structures, and so much of the surrounding  
22           land constituting the parcel on which the dwelling  
23           place is situated as is used for residential purposes.  
24           If the assessor has established a specific legal  
25           description for a portion of property constituting the  
26           homestead, then the homestead shall be limited to the  
27           property within that description.

28           (7) "Life care facility" means a facility as defined in  
29           Section 2 of the Life Care Facilities Act.

30           (c) If the property did not have a residential equalized  
31           assessed value for the base year as provided in subdivision  
32           (b) (3) (A) of this Section, then the assessor shall first  
33           determine an initial value for the property by comparison with  
34           assessed values for the base year of other properties having

1 physical and economic characteristics similar to those of the  
2 subject property, so that the initial value is uniform in  
3 relation to assessed values of those other properties for the  
4 base year. The product of the initial value multiplied by the  
5 equalized factor for the base year for homestead properties in  
6 that county, less (i) \$4,500 in Cook County or \$3,500 in all  
7 other counties in tax year 2003 or (ii) \$5,000 in all counties  
8 in tax year 2004 and thereafter , is the base homestead value.

9 For any tax year for which the assessor determines or  
10 adjusts an initial value and hence a base homestead value under  
11 this subsection (c), the initial value shall be subject to  
12 review by the same procedures applicable to assessed values  
13 established under this Code for that tax year.

14 (d) The base homestead value shall remain constant, except  
15 that the assessor may revise it under the following  
16 circumstances:

17 (1) If the equalized assessed value of a homestead  
18 property for the current tax year is less than the previous  
19 base homestead value for that property, then the current  
20 equalized assessed value (provided it is not based on a  
21 reduced assessed value resulting from a temporary  
22 irregularity in the property) shall become the base  
23 homestead value in subsequent tax years.

24 (2) For any year in which new buildings, structures, or  
25 other improvements are constructed on the homestead  
26 property that would increase its assessed value, the  
27 assessor shall adjust the base homestead value as provided  
28 in subsection (c) of this Section with due regard to the  
29 value added by the new improvements.

30 (3) If the property is sold or ownership is otherwise  
31 transferred, the base homestead value of the property shall  
32 be adjusted as provided in subdivision (b) (3) (B). This item  
33 (3) does not apply to sales or transfers between spouses or  
34 between a parent and a child.

1       (e) The amount of the exemption under this Section is the  
2 equalized assessed value of the homestead property for the  
3 current tax year, minus the adjusted homestead value, with the  
4 following exceptions:

5           (1) The exemption under this Section shall not exceed  
6 \$20,000 for any taxable year.

7           (2) In the case of homestead property that also  
8 qualifies for the exemption under Section 15-172, the  
9 property is entitled to the exemption under this Section,  
10 limited to the amount of (i) \$4,500 in Cook County or  
11 \$3,500 in all other counties in tax year 2003 or (ii)  
12 \$5,000 in all counties in tax year 2004 and thereafter.

13       (f) In the case of an apartment building owned and operated  
14 as a cooperative, or as a life care facility, that contains  
15 residential units that qualify as homestead property under this  
16 Section, the maximum cumulative exemption amount attributed to  
17 the entire building or facility shall not exceed the sum of the  
18 exemptions calculated for each qualified residential unit. The  
19 cooperative association, management firm, or other person or  
20 entity that manages or controls the cooperative apartment  
21 building or life care facility shall credit the exemption  
22 attributable to each residential unit only to the apportioned  
23 tax liability of the owner or other person responsible for  
24 payment of taxes as to that unit. Any person who willfully  
25 refuses to so credit the exemption is guilty of a Class B  
26 misdemeanor.

27       (g) When married persons maintain separate residences, the  
28 exemption provided under this Section shall be claimed by only  
29 one such person and for only one residence.

30       (h) In the event of a sale or other transfer in ownership  
31 of the homestead property, the exemption under this Section  
32 shall remain in effect for the remainder of the tax year in  
33 which the sale or transfer occurs, but (other than for sales or  
34 transfers between spouses or between a parent and a child)

1 shall be calculated using the new base homestead value as  
2 provided in subdivision (b) (3) (B). The assessor may require the  
3 new owner of the property to apply for the exemption in the  
4 following year.

5 (i) The assessor may determine whether property qualifies  
6 as a homestead under this Section by application, visual  
7 inspection, questionnaire, or other reasonable methods. Each  
8 year, at the time the assessment books are certified to the  
9 county clerk by the board of review, the assessor shall furnish  
10 to the county clerk a list of the properties qualified for the  
11 homestead exemption under this Section. The list shall note the  
12 base homestead value of each property to be used in the  
13 calculation of the exemption for the current tax year.

14 (j) In counties with 3,000,000 or more inhabitants, the  
15 provisions of this Section apply as follows:

16 (1) If the general assessment year for the property is  
17 2003, this Section applies for assessment years 2003, 2004,  
18 and 2005. Thereafter, the provisions of Section 15-175  
19 apply.

20 (2) If the general assessment year for the property is  
21 2004, this Section applies for assessment years 2004, 2005,  
22 and 2006. Thereafter, the provisions of Section 15-175  
23 apply.

24 (3) If the general assessment year for the property is  
25 2005, this Section applies for assessment years 2005, 2006,  
26 and 2007. Thereafter, the provisions of Section 15-175  
27 apply.

28 In counties with less than 3,000,000 inhabitants, this  
29 Section applies for assessment years (i) 2003, 2004, and 2005  
30 if 2002 is the designated base year or (ii) 2004, 2005, and  
31 2006 if 2003 is the designated base year. Thereafter, the  
32 provisions of Section 15-175 apply.

33 (k) To be subject to the provisions of this Section in lieu  
34 of Section 15-175, a county must adopt an ordinance to subject

1 itself to the provisions of this Section within 6 months after  
2 the effective date of this amendatory Act of the 93rd General  
3 Assembly. In a county other than Cook County, the ordinance  
4 must designate either tax year 2002 or tax year 2003 as the  
5 base year.

6 (1) Notwithstanding Sections 6 and 8 of the State Mandates  
7 Act, no reimbursement by the State is required for the  
8 implementation of any mandate created by this Section.

9 (35 ILCS 200/15-180)

10 Sec. 15-180. Homestead improvements. Homestead properties  
11 that have been improved and residential structures on homestead  
12 property that have been rebuilt following a catastrophic event  
13 are entitled to a homestead improvement exemption, limited to  
14 \$30,000 per year through December 31, 1997, ~~and~~ \$45,000  
15 beginning January 1, 1998 and through December 31, 2003, and  
16 \$75,000 per year for that homestead property beginning January  
17 1, 2004 and thereafter, in fair cash value, when that property  
18 is owned and used exclusively for a residential purpose and  
19 upon demonstration that a proposed increase in assessed value  
20 is attributable solely to a new improvement of an existing  
21 structure or the rebuilding of a residential structure  
22 following a catastrophic event. To be eligible for an exemption  
23 under this Section after a catastrophic event, the residential  
24 structure must be rebuilt within 2 years after the catastrophic  
25 event. The exemption for rebuilt structures under this Section  
26 applies to the increase in value of the rebuilt structure over  
27 the value of the structure before the catastrophic event. The  
28 amount of the exemption shall be limited to the fair cash value  
29 added by the new improvement or rebuilding and shall continue  
30 for 4 years from the date the improvement or rebuilding is  
31 completed and occupied, or until the next following general  
32 assessment of that property, whichever is later.

33 A proclamation of disaster by the President of the United

1 States or Governor of the State of Illinois is not a  
2 prerequisite to the classification of an occurrence as a  
3 catastrophic event under this Section. A "catastrophic event"  
4 may include an occurrence of widespread or severe damage or  
5 loss of property resulting from any catastrophic cause  
6 including but not limited to fire, including arson (provided  
7 the fire was not caused by the willful action of an owner or  
8 resident of the property), flood, earthquake, wind, storm,  
9 explosion, or extended periods of severe inclement weather. In  
10 the case of a residential structure affected by flooding, the  
11 structure shall not be eligible for this homestead improvement  
12 exemption unless it is located within a local jurisdiction  
13 which is participating in the National Flood Insurance Program.

14 In counties of less than 3,000,000 inhabitants, in addition  
15 to the notice requirement under Section 12-30, a supervisor of  
16 assessments, county assessor, or township or multi-township  
17 assessor responsible for adding an assessable improvement to a  
18 residential property's assessment shall either notify a  
19 taxpayer whose assessment has been changed since the last  
20 preceding assessment that he or she may be eligible for the  
21 exemption provided under this Section or shall grant the  
22 exemption automatically.

23 Beginning January 1, 1999, in counties of 3,000,000 or more  
24 inhabitants, an application for a homestead improvement  
25 exemption for a residential structure that has been rebuilt  
26 following a catastrophic event must be submitted to the Chief  
27 County Assessment Officer with a valuation complaint and a copy  
28 of the building permit to rebuild the structure. The Chief  
29 County Assessment Officer may require additional documentation  
30 which must be provided by the applicant.

31 Notwithstanding Sections 6 and 8 of the State Mandates Act,  
32 no reimbursement by the State is required for the  
33 implementation of any mandate created by this Section.

34 (Source: P.A. 89-595, eff. 1-1-97; 89-690, eff. 6-1-97; 90-14,

1 eff. 7-1-97; 90-186, eff. 7-24-97; 90-655, eff. 7-30-98;  
2 90-704, eff. 8-7-98.)

3 (35 ILCS 200/20-178)

4 Sec. 20-178. Certificate of error; refund; interest. When  
5 the county collector makes any refunds due on certificates of  
6 error issued under Sections 14-15 through 14-25 that have been  
7 either certified or adjudicated, the county collector shall pay  
8 the taxpayer interest on the amount of the refund at the rate  
9 of 0.5% per month.

10 No interest shall be due under this Section for any time  
11 prior to 60 days after the effective date of this amendatory  
12 Act of the 91st General Assembly. For certificates of error  
13 issued prior to the effective date of this amendatory Act of  
14 the 91st General Assembly, the county collector shall pay the  
15 taxpayer interest from 60 days after the effective date of this  
16 amendatory Act of the 91st General Assembly until the date the  
17 refund is paid. For certificates of error issued on or after  
18 the effective date of this amendatory Act of the 91st General  
19 Assembly, interest shall be paid from 60 days after the  
20 certificate of error is issued by the chief county assessment  
21 officer to the date the refund is made. To cover the cost of  
22 interest, the county collector shall proportionately reduce  
23 the distribution of taxes collected for each taxing district in  
24 which the property is situated.

25 This Section shall not apply to any certificate of error  
26 granting a homestead exemption under Section 15-170, 15-172, ~~or~~  
27 15-175, or 15-176.

28 (Source: P.A. 91-393, eff. 7-30-99.)

29 Section 13. The Longtime Owner-Occupant Property Tax  
30 Relief Act is amended by changing Section 20 as follows:

31 (35 ILCS 250/20)



1           Sec. 20. Conditions of deferral or exemption.

2           (a) Any deferral or exemption of payment of an increase in  
3 real property taxes granted under this Act shall be limited to  
4 real property that meets both of the following conditions:

5                 (1) The property is owned and occupied by a longtime  
6 owner-occupant.

7                 (2) The property is the principal residence and  
8 domicile of the longtime owner-occupant.

9           The corporate authorities of a county, by ordinance or  
10 resolution, may impose additional criteria for qualifying for a  
11 deferral or exemption under this Act including, but not limited  
12 to, (i) requiring the owner-occupant to have owned and occupied  
13 the same dwelling place as principal residence and domicile for  
14 a period of more than 10 years, (ii) establishing age criteria  
15 for eligibility of an owner-occupant, and (iii) establishing  
16 income criteria for eligibility of an owner-occupant. A  
17 deferral or exemption, or combination thereof, under an  
18 ordinance or resolution adopted pursuant to this Act, may not  
19 exceed \$20,000 in equalized assessed value per tax year.

20           (b) No penalties or interest shall accrue on the portion of  
21 any deferral granted under this Act.

22           (c) Except as provided in subsection (d) of Section 15,  
23 school districts and municipalities within a county to which  
24 this Act applies may determine whether financial need, age, or  
25 both, of the longtime owner-occupant shall be used to determine  
26 eligibility.

27           (Source: P.A. 90-648, eff. 7-24-98.)

28           Section 15. The County Economic Development Project Area  
29 Property Tax Allocation Act is amended by changing Section 6 as  
30 follows:

31                 (55 ILCS 85/6)     (from Ch. 34, par. 7006)

32           Sec. 6. Filing with county clerk; certification of initial

1 equalized assessed value.

2 (a) The county shall file a certified copy of any ordinance  
3 authorizing property tax allocation financing for an economic  
4 development project area with the county clerk, and the county  
5 clerk shall immediately thereafter determine (1) the most  
6 recently ascertained equalized assessed value of each lot,  
7 block, tract or parcel of real property within the economic  
8 development project area from which shall be deducted the  
9 homestead exemptions provided by Sections 15-170, ~~and~~ 15-175,  
10 and 15-176 of the Property Tax Code, which value shall be the  
11 "initial equalized assessed value" of each such piece of  
12 property, and (2) the total equalized assessed value of all  
13 taxable real property within the economic development project  
14 area by adding together the most recently ascertained equalized  
15 assessed value of each taxable lot, block, tract, or parcel of  
16 real property within such economic development project area,  
17 from which shall be deducted the homestead exemptions provided  
18 by Sections 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax  
19 Code. Upon receiving written notice from the Department of its  
20 approval and certification of such economic development  
21 project area, the county clerk shall immediately certify such  
22 amount as the "total initial equalized assessed value" of the  
23 taxable property within the economic development project area.

24 (b) After the county clerk has certified the "total initial  
25 equalized assessed value" of the taxable real property in the  
26 economic development project area, then in respect to every  
27 taxing district containing an economic development project  
28 area, the county clerk or any other official required by law to  
29 ascertain the amount of the equalized assessed value of all  
30 taxable property within that taxing district for the purpose of  
31 computing the rate percent of tax to be extended upon taxable  
32 property within the taxing district, shall in every year that  
33 property tax allocation financing is in effect ascertain the  
34 amount of value of taxable property in an economic development

1 project area by including in that amount the lower of the  
2 current equalized assessed value or the certified "total  
3 initial equalized assessed value" of all taxable real property  
4 in such area. The rate percent of tax determined shall be  
5 extended to the current equalized assessed value of all  
6 property in the economic development project area in the same  
7 manner as the rate percent of tax is extended to all other  
8 taxable property in the taxing district. The method of  
9 allocating taxes established under this Section shall  
10 terminate when the county adopts an ordinance dissolving the  
11 special tax allocation fund for the economic development  
12 project area. This Act shall not be construed as relieving  
13 property owners within an economic development project area  
14 from paying a uniform rate of taxes upon the current equalized  
15 assessed value of their taxable property as provided in the  
16 Property Tax Code.

17 (Source: P.A. 88-670, eff. 12-2-94.)

18 Section 20. The County Economic Development Project Area  
19 Tax Increment Allocation Act of 1991 is amended by changing  
20 Section 45 as follows:

21 (55 ILCS 90/45) (from Ch. 34, par. 8045)

22 Sec. 45. Filing with county clerk; certification of initial  
23 equalized assessed value.

24 (a) A county that has by ordinance approved an economic  
25 development plan, established an economic development project  
26 area, and adopted tax increment allocation financing for that  
27 area shall file certified copies of the ordinance or ordinances  
28 with the county clerk. Upon receiving the ordinance or  
29 ordinances, the county clerk shall immediately determine (i)  
30 the most recently ascertained equalized assessed value of each  
31 lot, block, tract, or parcel of real property within the  
32 economic development project area from which shall be deducted

1 the homestead exemptions provided by Sections 15-170, ~~and~~  
2 15-175, and 15-176 of the Property Tax Code (that value being  
3 the "initial equalized assessed value" of each such piece of  
4 property) and (ii) the total equalized assessed value of all  
5 taxable real property within the economic development project  
6 area by adding together the most recently ascertained equalized  
7 assessed value of each taxable lot, block, tract, or parcel of  
8 real property within the economic development project area,  
9 from which shall be deducted the homestead exemptions provided  
10 by Sections 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax  
11 Code, and shall certify that amount as the "total initial  
12 equalized assessed value" of the taxable real property within  
13 the economic development project area.

14 (b) After the county clerk has certified the "total initial  
15 equalized assessed value" of the taxable real property in the  
16 economic development project area, then in respect to every  
17 taxing district containing an economic development project  
18 area, the county clerk or any other official required by law to  
19 ascertain the amount of the equalized assessed value of all  
20 taxable property within the taxing district for the purpose of  
21 computing the rate per cent of tax to be extended upon taxable  
22 property within the taxing district shall, in every year that  
23 tax increment allocation financing is in effect, ascertain the  
24 amount of value of taxable property in an economic development  
25 project area by including in that amount the lower of the  
26 current equalized assessed value or the certified "total  
27 initial equalized assessed value" of all taxable real property  
28 in the area. The rate per cent of tax determined shall be  
29 extended to the current equalized assessed value of all  
30 property in the economic development project area in the same  
31 manner as the rate per cent of tax is extended to all other  
32 taxable property in the taxing district. The method of  
33 extending taxes established under this Section shall terminate  
34 when the county adopts an ordinance dissolving the special tax

1 allocation fund for the economic development project area. This  
2 Act shall not be construed as relieving property owners within  
3 an economic development project area from paying a uniform rate  
4 of taxes upon the current equalized assessed value of their  
5 taxable property as provided in the Property Tax Code.

6 (Source: P.A. 87-1; 88-670, eff. 12-2-94.)

7 Section 25. The Illinois Municipal Code is amended by  
8 changing Sections 11-74.4-8, 11-74.4-9, and 11-74.6-40 as  
9 follows:

10 (65 ILCS 5/11-74.4-8) (from Ch. 24, par. 11-74.4-8)

11 Sec. 11-74.4-8. Tax increment allocation financing. A  
12 municipality may not adopt tax increment financing in a  
13 redevelopment project area after the effective date of this  
14 amendatory Act of 1997 that will encompass an area that is  
15 currently included in an enterprise zone created under the  
16 Illinois Enterprise Zone Act unless that municipality,  
17 pursuant to Section 5.4 of the Illinois Enterprise Zone Act,  
18 amends the enterprise zone designating ordinance to limit the  
19 eligibility for tax abatements as provided in Section 5.4.1 of  
20 the Illinois Enterprise Zone Act. A municipality, at the time a  
21 redevelopment project area is designated, may adopt tax  
22 increment allocation financing by passing an ordinance  
23 providing that the ad valorem taxes, if any, arising from the  
24 levies upon taxable real property in such redevelopment project  
25 area by taxing districts and tax rates determined in the manner  
26 provided in paragraph (c) of Section 11-74.4-9 each year after  
27 the effective date of the ordinance until redevelopment project  
28 costs and all municipal obligations financing redevelopment  
29 project costs incurred under this Division have been paid shall  
30 be divided as follows:

31 (a) That portion of taxes levied upon each taxable lot,  
32 block, tract or parcel of real property which is attributable

1 to the lower of the current equalized assessed value or the  
2 initial equalized assessed value of each such taxable lot,  
3 block, tract or parcel of real property in the redevelopment  
4 project area shall be allocated to and when collected shall be  
5 paid by the county collector to the respective affected taxing  
6 districts in the manner required by law in the absence of the  
7 adoption of tax increment allocation financing.

8 (b) Except from a tax levied by a township to retire bonds  
9 issued to satisfy court-ordered damages, that portion, if any,  
10 of such taxes which is attributable to the increase in the  
11 current equalized assessed valuation of each taxable lot,  
12 block, tract or parcel of real property in the redevelopment  
13 project area over and above the initial equalized assessed  
14 value of each property in the project area shall be allocated  
15 to and when collected shall be paid to the municipal treasurer  
16 who shall deposit said taxes into a special fund called the  
17 special tax allocation fund of the municipality for the purpose  
18 of paying redevelopment project costs and obligations incurred  
19 in the payment thereof. In any county with a population of  
20 3,000,000 or more that has adopted a procedure for collecting  
21 taxes that provides for one or more of the installments of the  
22 taxes to be billed and collected on an estimated basis, the  
23 municipal treasurer shall be paid for deposit in the special  
24 tax allocation fund of the municipality, from the taxes  
25 collected from estimated bills issued for property in the  
26 redevelopment project area, the difference between the amount  
27 actually collected from each taxable lot, block, tract, or  
28 parcel of real property within the redevelopment project area  
29 and an amount determined by multiplying the rate at which taxes  
30 were last extended against the taxable lot, block, track, or  
31 parcel of real property in the manner provided in subsection  
32 (c) of Section 11-74.4-9 by the initial equalized assessed  
33 value of the property divided by the number of installments in  
34 which real estate taxes are billed and collected within the

1 county; provided that the payments on or before December 31,  
2 1999 to a municipal treasurer shall be made only if each of the  
3 following conditions are met:

4 (1) The total equalized assessed value of the  
5 redevelopment project area as last determined was not less  
6 than 175% of the total initial equalized assessed value.

7 (2) Not more than 50% of the total equalized assessed  
8 value of the redevelopment project area as last determined  
9 is attributable to a piece of property assigned a single  
10 real estate index number.

11 (3) The municipal clerk has certified to the county  
12 clerk that the municipality has issued its obligations to  
13 which there has been pledged the incremental property taxes  
14 of the redevelopment project area or taxes levied and  
15 collected on any or all property in the municipality or the  
16 full faith and credit of the municipality to pay or secure  
17 payment for all or a portion of the redevelopment project  
18 costs. The certification shall be filed annually no later  
19 than September 1 for the estimated taxes to be distributed  
20 in the following year; however, for the year 1992 the  
21 certification shall be made at any time on or before March  
22 31, 1992.

23 (4) The municipality has not requested that the total  
24 initial equalized assessed value of real property be  
25 adjusted as provided in subsection (b) of Section  
26 11-74.4-9.

27 The conditions of paragraphs (1) through (4) do not apply  
28 after December 31, 1999 to payments to a municipal treasurer  
29 made by a county with 3,000,000 or more inhabitants that has  
30 adopted an estimated billing procedure for collecting taxes. If  
31 a county that has adopted the estimated billing procedure makes  
32 an erroneous overpayment of tax revenue to the municipal  
33 treasurer, then the county may seek a refund of that  
34 overpayment. The county shall send the municipal treasurer a

1 notice of liability for the overpayment on or before the  
2 mailing date of the next real estate tax bill within the  
3 county. The refund shall be limited to the amount of the  
4 overpayment.

5 It is the intent of this Division that after the effective  
6 date of this amendatory Act of 1988 a municipality's own ad  
7 valorem tax arising from levies on taxable real property be  
8 included in the determination of incremental revenue in the  
9 manner provided in paragraph (c) of Section 11-74.4-9. If the  
10 municipality does not extend such a tax, it shall annually  
11 deposit in the municipality's Special Tax Increment Fund an  
12 amount equal to 10% of the total contributions to the fund from  
13 all other taxing districts in that year. The annual 10% deposit  
14 required by this paragraph shall be limited to the actual  
15 amount of municipally produced incremental tax revenues  
16 available to the municipality from taxpayers located in the  
17 redevelopment project area in that year if: (a) the plan for  
18 the area restricts the use of the property primarily to  
19 industrial purposes, (b) the municipality establishing the  
20 redevelopment project area is a home-rule community with a 1990  
21 population of between 25,000 and 50,000, (c) the municipality  
22 is wholly located within a county with a 1990 population of  
23 over 750,000 and (d) the redevelopment project area was  
24 established by the municipality prior to June 1, 1990. This  
25 payment shall be in lieu of a contribution of ad valorem taxes  
26 on real property. If no such payment is made, any redevelopment  
27 project area of the municipality shall be dissolved.

28 If a municipality has adopted tax increment allocation  
29 financing by ordinance and the County Clerk thereafter  
30 certifies the "total initial equalized assessed value as  
31 adjusted" of the taxable real property within such  
32 redevelopment project area in the manner provided in paragraph  
33 (b) of Section 11-74.4-9, each year after the date of the  
34 certification of the total initial equalized assessed value as



1 adjusted until redevelopment project costs and all municipal  
2 obligations financing redevelopment project costs have been  
3 paid the ad valorem taxes, if any, arising from the levies upon  
4 the taxable real property in such redevelopment project area by  
5 taxing districts and tax rates determined in the manner  
6 provided in paragraph (c) of Section 11-74.4-9 shall be divided  
7 as follows:

8 (1) That portion of the taxes levied upon each taxable  
9 lot, block, tract or parcel of real property which is  
10 attributable to the lower of the current equalized assessed  
11 value or "current equalized assessed value as adjusted" or  
12 the initial equalized assessed value of each such taxable  
13 lot, block, tract, or parcel of real property existing at  
14 the time tax increment financing was adopted, minus the  
15 total current homestead exemptions provided by Sections  
16 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax Code in  
17 the redevelopment project area shall be allocated to and  
18 when collected shall be paid by the county collector to the  
19 respective affected taxing districts in the manner  
20 required by law in the absence of the adoption of tax  
21 increment allocation financing.

22 (2) That portion, if any, of such taxes which is  
23 attributable to the increase in the current equalized  
24 assessed valuation of each taxable lot, block, tract, or  
25 parcel of real property in the redevelopment project area,  
26 over and above the initial equalized assessed value of each  
27 property existing at the time tax increment financing was  
28 adopted, minus the total current homestead exemptions  
29 pertaining to each piece of property provided by Sections  
30 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax Code in  
31 the redevelopment project area, shall be allocated to and  
32 when collected shall be paid to the municipal Treasurer,  
33 who shall deposit said taxes into a special fund called the  
34 special tax allocation fund of the municipality for the

1           purpose of paying redevelopment project costs and  
2           obligations incurred in the payment thereof.

3           The municipality may pledge in the ordinance the funds in  
4           and to be deposited in the special tax allocation fund for the  
5           payment of such costs and obligations. No part of the current  
6           equalized assessed valuation of each property in the  
7           redevelopment project area attributable to any increase above  
8           the total initial equalized assessed value, or the total  
9           initial equalized assessed value as adjusted, of such  
10          properties shall be used in calculating the general State  
11          school aid formula, provided for in Section 18-8 of the School  
12          Code, until such time as all redevelopment project costs have  
13          been paid as provided for in this Section.

14          Whenever a municipality issues bonds for the purpose of  
15          financing redevelopment project costs, such municipality may  
16          provide by ordinance for the appointment of a trustee, which  
17          may be any trust company within the State, and for the  
18          establishment of such funds or accounts to be maintained by  
19          such trustee as the municipality shall deem necessary to  
20          provide for the security and payment of the bonds. If such  
21          municipality provides for the appointment of a trustee, such  
22          trustee shall be considered the assignee of any payments  
23          assigned by the municipality pursuant to such ordinance and  
24          this Section. Any amounts paid to such trustee as assignee  
25          shall be deposited in the funds or accounts established  
26          pursuant to such trust agreement, and shall be held by such  
27          trustee in trust for the benefit of the holders of the bonds,  
28          and such holders shall have a lien on and a security interest  
29          in such funds or accounts so long as the bonds remain  
30          outstanding and unpaid. Upon retirement of the bonds, the  
31          trustee shall pay over any excess amounts held to the  
32          municipality for deposit in the special tax allocation fund.

33          When such redevelopment projects costs, including without  
34          limitation all municipal obligations financing redevelopment

1 project costs incurred under this Division, have been paid, all  
2 surplus funds then remaining in the special tax allocation fund  
3 shall be distributed by being paid by the municipal treasurer  
4 to the Department of Revenue, the municipality and the county  
5 collector; first to the Department of Revenue and the  
6 municipality in direct proportion to the tax incremental  
7 revenue received from the State and the municipality, but not  
8 to exceed the total incremental revenue received from the State  
9 or the municipality less any annual surplus distribution of  
10 incremental revenue previously made; with any remaining funds  
11 to be paid to the County Collector who shall immediately  
12 thereafter pay said funds to the taxing districts in the  
13 redevelopment project area in the same manner and proportion as  
14 the most recent distribution by the county collector to the  
15 affected districts of real property taxes from real property in  
16 the redevelopment project area.

17 Upon the payment of all redevelopment project costs, the  
18 retirement of obligations, the distribution of any excess  
19 monies pursuant to this Section, and final closing of the books  
20 and records of the redevelopment project area, the municipality  
21 shall adopt an ordinance dissolving the special tax allocation  
22 fund for the redevelopment project area and terminating the  
23 designation of the redevelopment project area as a  
24 redevelopment project area. Title to real or personal property  
25 and public improvements acquired by or for the municipality as  
26 a result of the redevelopment project and plan shall vest in  
27 the municipality when acquired and shall continue to be held by  
28 the municipality after the redevelopment project area has been  
29 terminated. Municipalities shall notify affected taxing  
30 districts prior to November 1 if the redevelopment project area  
31 is to be terminated by December 31 of that same year. If a  
32 municipality extends estimated dates of completion of a  
33 redevelopment project and retirement of obligations to finance  
34 a redevelopment project, as allowed by this amendatory Act of

1 1993, that extension shall not extend the property tax  
2 increment allocation financing authorized by this Section.  
3 Thereafter the rates of the taxing districts shall be extended  
4 and taxes levied, collected and distributed in the manner  
5 applicable in the absence of the adoption of tax increment  
6 allocation financing.

7 Nothing in this Section shall be construed as relieving  
8 property in such redevelopment project areas from being  
9 assessed as provided in the Property Tax Code or as relieving  
10 owners of such property from paying a uniform rate of taxes, as  
11 required by Section 4 of Article 9 of the Illinois  
12 Constitution.

13 (Source: P.A. 92-16, eff. 6-28-01; 93-298, eff. 7-23-03.)

14 (65 ILCS 5/11-74.4-9) (from Ch. 24, par. 11-74.4-9)

15 Sec. 11-74.4-9. Equalized assessed value of property.

16 (a) If a municipality by ordinance provides for tax  
17 increment allocation financing pursuant to Section 11-74.4-8,  
18 the county clerk immediately thereafter shall determine (1) the  
19 most recently ascertained equalized assessed value of each lot,  
20 block, tract or parcel of real property within such  
21 redevelopment project area from which shall be deducted the  
22 homestead exemptions provided by Sections 15-170, ~~and~~ 15-175,  
23 and 15-176 of the Property Tax Code, which value shall be the  
24 "initial equalized assessed value" of each such piece of  
25 property, and (2) the total equalized assessed value of all  
26 taxable real property within such redevelopment project area by  
27 adding together the most recently ascertained equalized  
28 assessed value of each taxable lot, block, tract, or parcel of  
29 real property within such project area, from which shall be  
30 deducted the homestead exemptions provided by Sections 15-170,  
31 ~~and~~ 15-175, and 15-176 of the Property Tax Code, and shall  
32 certify such amount as the "total initial equalized assessed  
33 value" of the taxable real property within such project area.

1 (b) In reference to any municipality which has adopted tax  
2 increment financing after January 1, 1978, and in respect to  
3 which the county clerk has certified the "total initial  
4 equalized assessed value" of the property in the redevelopment  
5 area, the municipality may thereafter request the clerk in  
6 writing to adjust the initial equalized value of all taxable  
7 real property within the redevelopment project area by  
8 deducting therefrom the exemptions provided for by Sections  
9 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax Code  
10 applicable to each lot, block, tract or parcel of real property  
11 within such redevelopment project area. The county clerk shall  
12 immediately after the written request to adjust the total  
13 initial equalized value is received determine the total  
14 homestead exemptions in the redevelopment project area  
15 provided by Sections 15-170, ~~and~~ 15-175, and 15-176 of the  
16 Property Tax Code by adding together the homestead exemptions  
17 provided by said Sections on each lot, block, tract or parcel  
18 of real property within such redevelopment project area and  
19 then shall deduct the total of said exemptions from the total  
20 initial equalized assessed value. The county clerk shall then  
21 promptly certify such amount as the "total initial equalized  
22 assessed value as adjusted" of the taxable real property within  
23 such redevelopment project area.

24 (c) After the county clerk has certified the "total initial  
25 equalized assessed value" of the taxable real property in such  
26 area, then in respect to every taxing district containing a  
27 redevelopment project area, the county clerk or any other  
28 official required by law to ascertain the amount of the  
29 equalized assessed value of all taxable property within such  
30 district for the purpose of computing the rate per cent of tax  
31 to be extended upon taxable property within such district,  
32 shall in every year that tax increment allocation financing is  
33 in effect ascertain the amount of value of taxable property in  
34 a redevelopment project area by including in such amount the

1 lower of the current equalized assessed value or the certified  
2 "total initial equalized assessed value" of all taxable real  
3 property in such area, except that after he has certified the  
4 "total initial equalized assessed value as adjusted" he shall  
5 in the year of said certification if tax rates have not been  
6 extended and in every year thereafter that tax increment  
7 allocation financing is in effect ascertain the amount of value  
8 of taxable property in a redevelopment project area by  
9 including in such amount the lower of the current equalized  
10 assessed value or the certified "total initial equalized  
11 assessed value as adjusted" of all taxable real property in  
12 such area. The rate per cent of tax determined shall be  
13 extended to the current equalized assessed value of all  
14 property in the redevelopment project area in the same manner  
15 as the rate per cent of tax is extended to all other taxable  
16 property in the taxing district. The method of extending taxes  
17 established under this Section shall terminate when the  
18 municipality adopts an ordinance dissolving the special tax  
19 allocation fund for the redevelopment project area. This  
20 Division shall not be construed as relieving property owners  
21 within a redevelopment project area from paying a uniform rate  
22 of taxes upon the current equalized assessed value of their  
23 taxable property as provided in the Property Tax Code.

24 (Source: P.A. 88-670, eff. 12-2-94.)

25 (65 ILCS 5/11-74.6-40)

26 Sec. 11-74.6-40. Equalized assessed value determination;  
27 property tax extension.

28 (a) If a municipality by ordinance provides for tax  
29 increment allocation financing under Section 11-74.6-35, the  
30 county clerk immediately thereafter:

31 (1) shall determine the initial equalized assessed  
32 value of each parcel of real property in the redevelopment  
33 project area, which is the most recently established

1 equalized assessed value of each lot, block, tract or  
2 parcel of taxable real property within the redevelopment  
3 project area, minus the homestead exemptions provided by  
4 Sections 15-170, ~~and 15-175,~~ and 15-176 of the Property Tax  
5 Code; and

6 (2) shall certify to the municipality the total initial  
7 equalized assessed value of all taxable real property  
8 within the redevelopment project area.

9 (b) Any municipality that has established a vacant  
10 industrial buildings conservation area may, by ordinance  
11 passed after the adoption of tax increment allocation  
12 financing, provide that the county clerk immediately  
13 thereafter shall again determine:

14 (1) the updated initial equalized assessed value of  
15 each lot, block, tract or parcel of real property, which is  
16 the most recently ascertained equalized assessed value of  
17 each lot, block, tract or parcel of real property within  
18 the vacant industrial buildings conservation area; and

19 (2) the total updated initial equalized assessed value  
20 of all taxable real property within the redevelopment  
21 project area, which is the total of the updated initial  
22 equalized assessed value of all taxable real property  
23 within the vacant industrial buildings conservation area.

24 The county clerk shall certify to the municipality the  
25 total updated initial equalized assessed value of all taxable  
26 real property within the industrial buildings conservation  
27 area.

28 (c) After the county clerk has certified the total initial  
29 equalized assessed value or the total updated initial equalized  
30 assessed value of the taxable real property in the area, for  
31 each taxing district in which a redevelopment project area is  
32 situated, the county clerk or any other official required by  
33 law to determine the amount of the equalized assessed value of  
34 all taxable property within the district for the purpose of

1 computing the percentage rate of tax to be extended upon  
2 taxable property within the district, shall in every year that  
3 tax increment allocation financing is in effect determine the  
4 total equalized assessed value of taxable property in a  
5 redevelopment project area by including in that amount the  
6 lower of the current equalized assessed value or the certified  
7 total initial equalized assessed value or, if the total of  
8 updated equalized assessed value has been certified, the total  
9 updated initial equalized assessed value of all taxable real  
10 property in the redevelopment project area. After he has  
11 certified the total initial equalized assessed value he shall  
12 in the year of that certification, if tax rates have not been  
13 extended, and in every subsequent year that tax increment  
14 allocation financing is in effect, determine the amount of  
15 equalized assessed value of taxable property in a redevelopment  
16 project area by including in that amount the lower of the  
17 current total equalized assessed value or the certified total  
18 initial equalized assessed value or, if the total of updated  
19 initial equalized assessed values have been certified, the  
20 total updated initial equalized assessed value of all taxable  
21 real property in the redevelopment project area.

22 (d) The percentage rate of tax determined shall be extended  
23 on the current equalized assessed value of all property in the  
24 redevelopment project area in the same manner as the rate per  
25 cent of tax is extended to all other taxable property in the  
26 taxing district. The method of extending taxes established  
27 under this Section shall terminate when the municipality adopts  
28 an ordinance dissolving the special tax allocation fund for the  
29 redevelopment project area. This Law shall not be construed as  
30 relieving property owners within a redevelopment project area  
31 from paying a uniform rate of taxes upon the current equalized  
32 assessed value of their taxable property as provided in the  
33 Property Tax Code.

34 (Source: P.A. 88-537; 88-670, eff. 12-2-94.)



1 Section 30. The Economic Development Project Area Tax  
2 Increment Allocation Act of 1995 is amended by changing Section  
3 45 as follows:

4 (65 ILCS 110/45)

5 Sec. 45. Filing with county clerk; certification of initial  
6 equalized assessed value.

7 (a) A municipality that has by ordinance approved an  
8 economic development plan, established an economic development  
9 project area, and adopted tax increment allocation financing  
10 for that area shall file certified copies of the ordinance or  
11 ordinances with the county clerk. Upon receiving the ordinance  
12 or ordinances, the county clerk shall immediately determine (i)  
13 the most recently ascertained equalized assessed value of each  
14 lot, block, tract, or parcel of real property within the  
15 economic development project area from which shall be deducted  
16 the homestead exemptions provided by Sections 15-170, ~~and~~  
17 15-175, and 15-176 of the Property Tax Code (that value being  
18 the "initial equalized assessed value" of each such piece of  
19 property) and (ii) the total equalized assessed value of all  
20 taxable real property within the economic development project  
21 area by adding together the most recently ascertained equalized  
22 assessed value of each taxable lot, block, tract, or parcel of  
23 real property within the economic development project area,  
24 from which shall be deducted the homestead exemptions provided  
25 by Sections 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax  
26 Code, and shall certify that amount as the "total initial  
27 equalized assessed value" of the taxable real property within  
28 the economic development project area.

29 (b) After the county clerk has certified the "total initial  
30 equalized assessed value" of the taxable real property in the  
31 economic development project area, then in respect to every  
32 taxing district containing an economic development project

1 area, the county clerk or any other official required by law to  
2 ascertain the amount of the equalized assessed value of all  
3 taxable property within the taxing district for the purpose of  
4 computing the rate per cent of tax to be extended upon taxable  
5 property within the taxing district shall, in every year that  
6 tax increment allocation financing is in effect, ascertain the  
7 amount of value of taxable property in an economic development  
8 project area by including in that amount the lower of the  
9 current equalized assessed value or the certified "total  
10 initial equalized assessed value" of all taxable real property  
11 in the area. The rate per cent of tax determined shall be  
12 extended to the current equalized assessed value of all  
13 property in the economic development project area in the same  
14 manner as the rate per cent of tax is extended to all other  
15 taxable property in the taxing district. The method of  
16 extending taxes established under this Section shall terminate  
17 when the municipality adopts an ordinance dissolving the  
18 special tax allocation fund for the economic development  
19 project area. This Act shall not be construed as relieving  
20 owners or lessees of property within an economic development  
21 project area from paying a uniform rate of taxes upon the  
22 current equalized assessed value of their taxable property as  
23 provided in the Property Tax Code.

24 (Source: P.A. 89-176, eff. 1-1-96.)

25 Section 35. The School Code is amended by changing Section  
26 18-8.05 as follows:

27 (105 ILCS 5/18-8.05)

28 Sec. 18-8.05. Basis for apportionment of general State  
29 financial aid and supplemental general State aid to the common  
30 schools for the 1998-1999 and subsequent school years.

31 (A) General Provisions.

1           (1) The provisions of this Section apply to the 1998-1999  
2 and subsequent school years. The system of general State  
3 financial aid provided for in this Section is designed to  
4 assure that, through a combination of State financial aid and  
5 required local resources, the financial support provided each  
6 pupil in Average Daily Attendance equals or exceeds a  
7 prescribed per pupil Foundation Level. This formula approach  
8 imputes a level of per pupil Available Local Resources and  
9 provides for the basis to calculate a per pupil level of  
10 general State financial aid that, when added to Available Local  
11 Resources, equals or exceeds the Foundation Level. The amount  
12 of per pupil general State financial aid for school districts,  
13 in general, varies in inverse relation to Available Local  
14 Resources. Per pupil amounts are based upon each school  
15 district's Average Daily Attendance as that term is defined in  
16 this Section.

17           (2) In addition to general State financial aid, school  
18 districts with specified levels or concentrations of pupils  
19 from low income households are eligible to receive supplemental  
20 general State financial aid grants as provided pursuant to  
21 subsection (H). The supplemental State aid grants provided for  
22 school districts under subsection (H) shall be appropriated for  
23 distribution to school districts as part of the same line item  
24 in which the general State financial aid of school districts is  
25 appropriated under this Section.

26           (3) To receive financial assistance under this Section,  
27 school districts are required to file claims with the State  
28 Board of Education, subject to the following requirements:

29           (a) Any school district which fails for any given  
30 school year to maintain school as required by law, or to  
31 maintain a recognized school is not eligible to file for  
32 such school year any claim upon the Common School Fund. In  
33 case of nonrecognition of one or more attendance centers in  
34 a school district otherwise operating recognized schools,

1 the claim of the district shall be reduced in the  
2 proportion which the Average Daily Attendance in the  
3 attendance center or centers bear to the Average Daily  
4 Attendance in the school district. A "recognized school"  
5 means any public school which meets the standards as  
6 established for recognition by the State Board of  
7 Education. A school district or attendance center not  
8 having recognition status at the end of a school term is  
9 entitled to receive State aid payments due upon a legal  
10 claim which was filed while it was recognized.

11 (b) School district claims filed under this Section are  
12 subject to Sections 18-9, 18-10, and 18-12, except as  
13 otherwise provided in this Section.

14 (c) If a school district operates a full year school  
15 under Section 10-19.1, the general State aid to the school  
16 district shall be determined by the State Board of  
17 Education in accordance with this Section as near as may be  
18 applicable.

19 (d) (Blank).

20 (4) Except as provided in subsections (H) and (L), the  
21 board of any district receiving any of the grants provided for  
22 in this Section may apply those funds to any fund so received  
23 for which that board is authorized to make expenditures by law.

24 School districts are not required to exert a minimum  
25 Operating Tax Rate in order to qualify for assistance under  
26 this Section.

27 (5) As used in this Section the following terms, when  
28 capitalized, shall have the meaning ascribed herein:

29 (a) "Average Daily Attendance": A count of pupil  
30 attendance in school, averaged as provided for in  
31 subsection (C) and utilized in deriving per pupil financial  
32 support levels.

33 (b) "Available Local Resources": A computation of  
34 local financial support, calculated on the basis of Average

1 Daily Attendance and derived as provided pursuant to  
2 subsection (D).

3 (c) "Corporate Personal Property Replacement Taxes":  
4 Funds paid to local school districts pursuant to "An Act in  
5 relation to the abolition of ad valorem personal property  
6 tax and the replacement of revenues lost thereby, and  
7 amending and repealing certain Acts and parts of Acts in  
8 connection therewith", certified August 14, 1979, as  
9 amended (Public Act 81-1st S.S.-1).

10 (d) "Foundation Level": A prescribed level of per pupil  
11 financial support as provided for in subsection (B).

12 (e) "Operating Tax Rate": All school district property  
13 taxes extended for all purposes, except Bond and Interest,  
14 Summer School, Rent, Capital Improvement, and Vocational  
15 Education Building purposes.

16 (B) Foundation Level.

17 (1) The Foundation Level is a figure established by the  
18 State representing the minimum level of per pupil financial  
19 support that should be available to provide for the basic  
20 education of each pupil in Average Daily Attendance. As set  
21 forth in this Section, each school district is assumed to exert  
22 a sufficient local taxing effort such that, in combination with  
23 the aggregate of general State financial aid provided the  
24 district, an aggregate of State and local resources are  
25 available to meet the basic education needs of pupils in the  
26 district.

27 (2) For the 1998-1999 school year, the Foundation Level of  
28 support is \$4,225. For the 1999-2000 school year, the  
29 Foundation Level of support is \$4,325. For the 2000-2001 school  
30 year, the Foundation Level of support is \$4,425.

31 (3) For the 2001-2002 school year and 2002-2003 school  
32 year, the Foundation Level of support is \$4,560.

33 (4) For the 2003-2004 school year and each school year

1 thereafter, the Foundation Level of support is \$4,810 or such  
2 greater amount as may be established by law by the General  
3 Assembly.

4 (C) Average Daily Attendance.

5 (1) For purposes of calculating general State aid pursuant  
6 to subsection (E), an Average Daily Attendance figure shall be  
7 utilized. The Average Daily Attendance figure for formula  
8 calculation purposes shall be the monthly average of the actual  
9 number of pupils in attendance of each school district, as  
10 further averaged for the best 3 months of pupil attendance for  
11 each school district. In compiling the figures for the number  
12 of pupils in attendance, school districts and the State Board  
13 of Education shall, for purposes of general State aid funding,  
14 conform attendance figures to the requirements of subsection  
15 (F).

16 (2) The Average Daily Attendance figures utilized in  
17 subsection (E) shall be the requisite attendance data for the  
18 school year immediately preceding the school year for which  
19 general State aid is being calculated or the average of the  
20 attendance data for the 3 preceding school years, whichever is  
21 greater. The Average Daily Attendance figures utilized in  
22 subsection (H) shall be the requisite attendance data for the  
23 school year immediately preceding the school year for which  
24 general State aid is being calculated.

25 (D) Available Local Resources.

26 (1) For purposes of calculating general State aid pursuant  
27 to subsection (E), a representation of Available Local  
28 Resources per pupil, as that term is defined and determined in  
29 this subsection, shall be utilized. Available Local Resources  
30 per pupil shall include a calculated dollar amount representing  
31 local school district revenues from local property taxes and  
32 from Corporate Personal Property Replacement Taxes, expressed

1 on the basis of pupils in Average Daily Attendance.

2 (2) In determining a school district's revenue from local  
3 property taxes, the State Board of Education shall utilize the  
4 equalized assessed valuation of all taxable property of each  
5 school district as of September 30 of the previous year. The  
6 equalized assessed valuation utilized shall be obtained and  
7 determined as provided in subsection (G).

8 (3) For school districts maintaining grades kindergarten  
9 through 12, local property tax revenues per pupil shall be  
10 calculated as the product of the applicable equalized assessed  
11 valuation for the district multiplied by 3.00%, and divided by  
12 the district's Average Daily Attendance figure. For school  
13 districts maintaining grades kindergarten through 8, local  
14 property tax revenues per pupil shall be calculated as the  
15 product of the applicable equalized assessed valuation for the  
16 district multiplied by 2.30%, and divided by the district's  
17 Average Daily Attendance figure. For school districts  
18 maintaining grades 9 through 12, local property tax revenues  
19 per pupil shall be the applicable equalized assessed valuation  
20 of the district multiplied by 1.05%, and divided by the  
21 district's Average Daily Attendance figure.

22 (4) The Corporate Personal Property Replacement Taxes paid  
23 to each school district during the calendar year 2 years before  
24 the calendar year in which a school year begins, divided by the  
25 Average Daily Attendance figure for that district, shall be  
26 added to the local property tax revenues per pupil as derived  
27 by the application of the immediately preceding paragraph (3).  
28 The sum of these per pupil figures for each school district  
29 shall constitute Available Local Resources as that term is  
30 utilized in subsection (E) in the calculation of general State  
31 aid.

32 (E) Computation of General State Aid.

33 (1) For each school year, the amount of general State aid

1 allotted to a school district shall be computed by the State  
2 Board of Education as provided in this subsection.

3 (2) For any school district for which Available Local  
4 Resources per pupil is less than the product of 0.93 times the  
5 Foundation Level, general State aid for that district shall be  
6 calculated as an amount equal to the Foundation Level minus  
7 Available Local Resources, multiplied by the Average Daily  
8 Attendance of the school district.

9 (3) For any school district for which Available Local  
10 Resources per pupil is equal to or greater than the product of  
11 0.93 times the Foundation Level and less than the product of  
12 1.75 times the Foundation Level, the general State aid per  
13 pupil shall be a decimal proportion of the Foundation Level  
14 derived using a linear algorithm. Under this linear algorithm,  
15 the calculated general State aid per pupil shall decline in  
16 direct linear fashion from 0.07 times the Foundation Level for  
17 a school district with Available Local Resources equal to the  
18 product of 0.93 times the Foundation Level, to 0.05 times the  
19 Foundation Level for a school district with Available Local  
20 Resources equal to the product of 1.75 times the Foundation  
21 Level. The allocation of general State aid for school districts  
22 subject to this paragraph 3 shall be the calculated general  
23 State aid per pupil figure multiplied by the Average Daily  
24 Attendance of the school district.

25 (4) For any school district for which Available Local  
26 Resources per pupil equals or exceeds the product of 1.75 times  
27 the Foundation Level, the general State aid for the school  
28 district shall be calculated as the product of \$218 multiplied  
29 by the Average Daily Attendance of the school district.

30 (5) The amount of general State aid allocated to a school  
31 district for the 1999-2000 school year meeting the requirements  
32 set forth in paragraph (4) of subsection (G) shall be increased  
33 by an amount equal to the general State aid that would have  
34 been received by the district for the 1998-1999 school year by



1 utilizing the Extension Limitation Equalized Assessed  
2 Valuation as calculated in paragraph (4) of subsection (G) less  
3 the general State aid allotted for the 1998-1999 school year.  
4 This amount shall be deemed a one time increase, and shall not  
5 affect any future general State aid allocations.

6 (F) Compilation of Average Daily Attendance.

7 (1) Each school district shall, by July 1 of each year,  
8 submit to the State Board of Education, on forms prescribed by  
9 the State Board of Education, attendance figures for the school  
10 year that began in the preceding calendar year. The attendance  
11 information so transmitted shall identify the average daily  
12 attendance figures for each month of the school year. Beginning  
13 with the general State aid claim form for the 2002-2003 school  
14 year, districts shall calculate Average Daily Attendance as  
15 provided in subdivisions (a), (b), and (c) of this paragraph  
16 (1).

17 (a) In districts that do not hold year-round classes,  
18 days of attendance in August shall be added to the month of  
19 September and any days of attendance in June shall be added  
20 to the month of May.

21 (b) In districts in which all buildings hold year-round  
22 classes, days of attendance in July and August shall be  
23 added to the month of September and any days of attendance  
24 in June shall be added to the month of May.

25 (c) In districts in which some buildings, but not all,  
26 hold year-round classes, for the non-year-round buildings,  
27 days of attendance in August shall be added to the month of  
28 September and any days of attendance in June shall be added  
29 to the month of May. The average daily attendance for the  
30 year-round buildings shall be computed as provided in  
31 subdivision (b) of this paragraph (1). To calculate the  
32 Average Daily Attendance for the district, the average  
33 daily attendance for the year-round buildings shall be

1 multiplied by the days in session for the non-year-round  
2 buildings for each month and added to the monthly  
3 attendance of the non-year-round buildings.

4 Except as otherwise provided in this Section, days of  
5 attendance by pupils shall be counted only for sessions of not  
6 less than 5 clock hours of school work per day under direct  
7 supervision of: (i) teachers, or (ii) non-teaching personnel or  
8 volunteer personnel when engaging in non-teaching duties and  
9 supervising in those instances specified in subsection (a) of  
10 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils  
11 of legal school age and in kindergarten and grades 1 through  
12 12.

13 Days of attendance by tuition pupils shall be accredited  
14 only to the districts that pay the tuition to a recognized  
15 school.

16 (2) Days of attendance by pupils of less than 5 clock hours  
17 of school shall be subject to the following provisions in the  
18 compilation of Average Daily Attendance.

19 (a) Pupils regularly enrolled in a public school for  
20 only a part of the school day may be counted on the basis  
21 of 1/6 day for every class hour of instruction of 40  
22 minutes or more attended pursuant to such enrollment,  
23 unless a pupil is enrolled in a block-schedule format of 80  
24 minutes or more of instruction, in which case the pupil may  
25 be counted on the basis of the proportion of minutes of  
26 school work completed each day to the minimum number of  
27 minutes that school work is required to be held that day.

28 (b) Days of attendance may be less than 5 clock hours  
29 on the opening and closing of the school term, and upon the  
30 first day of pupil attendance, if preceded by a day or days  
31 utilized as an institute or teachers' workshop.

32 (c) A session of 4 or more clock hours may be counted  
33 as a day of attendance upon certification by the regional  
34 superintendent, and approved by the State Superintendent

1 of Education to the extent that the district has been  
2 forced to use daily multiple sessions.

3 (d) A session of 3 or more clock hours may be counted  
4 as a day of attendance (1) when the remainder of the school  
5 day or at least 2 hours in the evening of that day is  
6 utilized for an in-service training program for teachers,  
7 up to a maximum of 5 days per school year of which a  
8 maximum of 4 days of such 5 days may be used for  
9 parent-teacher conferences, provided a district conducts  
10 an in-service training program for teachers which has been  
11 approved by the State Superintendent of Education; or, in  
12 lieu of 4 such days, 2 full days may be used, in which  
13 event each such day may be counted as a day of attendance;  
14 and (2) when days in addition to those provided in item (1)  
15 are scheduled by a school pursuant to its school  
16 improvement plan adopted under Article 34 or its revised or  
17 amended school improvement plan adopted under Article 2,  
18 provided that (i) such sessions of 3 or more clock hours  
19 are scheduled to occur at regular intervals, (ii) the  
20 remainder of the school days in which such sessions occur  
21 are utilized for in-service training programs or other  
22 staff development activities for teachers, and (iii) a  
23 sufficient number of minutes of school work under the  
24 direct supervision of teachers are added to the school days  
25 between such regularly scheduled sessions to accumulate  
26 not less than the number of minutes by which such sessions  
27 of 3 or more clock hours fall short of 5 clock hours. Any  
28 full days used for the purposes of this paragraph shall not  
29 be considered for computing average daily attendance. Days  
30 scheduled for in-service training programs, staff  
31 development activities, or parent-teacher conferences may  
32 be scheduled separately for different grade levels and  
33 different attendance centers of the district.

34 (e) A session of not less than one clock hour of

1 teaching hospitalized or homebound pupils on-site or by  
2 telephone to the classroom may be counted as 1/2 day of  
3 attendance, however these pupils must receive 4 or more  
4 clock hours of instruction to be counted for a full day of  
5 attendance.

6 (f) A session of at least 4 clock hours may be counted  
7 as a day of attendance for first grade pupils, and pupils  
8 in full day kindergartens, and a session of 2 or more hours  
9 may be counted as 1/2 day of attendance by pupils in  
10 kindergartens which provide only 1/2 day of attendance.

11 (g) For children with disabilities who are below the  
12 age of 6 years and who cannot attend 2 or more clock hours  
13 because of their disability or immaturity, a session of not  
14 less than one clock hour may be counted as 1/2 day of  
15 attendance; however for such children whose educational  
16 needs so require a session of 4 or more clock hours may be  
17 counted as a full day of attendance.

18 (h) A recognized kindergarten which provides for only  
19 1/2 day of attendance by each pupil shall not have more  
20 than 1/2 day of attendance counted in any one day. However,  
21 kindergartens may count 2 1/2 days of attendance in any 5  
22 consecutive school days. When a pupil attends such a  
23 kindergarten for 2 half days on any one school day, the  
24 pupil shall have the following day as a day absent from  
25 school, unless the school district obtains permission in  
26 writing from the State Superintendent of Education.  
27 Attendance at kindergartens which provide for a full day of  
28 attendance by each pupil shall be counted the same as  
29 attendance by first grade pupils. Only the first year of  
30 attendance in one kindergarten shall be counted, except in  
31 case of children who entered the kindergarten in their  
32 fifth year whose educational development requires a second  
33 year of kindergarten as determined under the rules and  
34 regulations of the State Board of Education.

1 (G) Equalized Assessed Valuation Data.

2 (1) For purposes of the calculation of Available Local  
3 Resources required pursuant to subsection (D), the State Board  
4 of Education shall secure from the Department of Revenue the  
5 value as equalized or assessed by the Department of Revenue of  
6 all taxable property of every school district, together with  
7 (i) the applicable tax rate used in extending taxes for the  
8 funds of the district as of September 30 of the previous year  
9 and (ii) the limiting rate for all school districts subject to  
10 property tax extension limitations as imposed under the  
11 Property Tax Extension Limitation Law.

12 The Department of Revenue shall add to the equalized  
13 assessed value of all taxable property of each school district  
14 situated entirely or partially within a county that is or was  
15 subject to the alternative general homestead exemption  
16 provisions of Section 15-176 of the Property Tax Code (i) an  
17 amount equal to the total amount by which the homestead  
18 exemption allowed under Section 15-176 of the Property Tax Code  
19 for real property situated in that school district exceeds the  
20 total amount that would have been allowed in that school  
21 district if the maximum reduction under Section 15-176 was (i)  
22 \$4,500 in Cook County or \$3,500 in all other counties in tax  
23 year 2003 or (ii) \$5,000 in all counties in tax year 2004 and  
24 thereafter and (ii) an amount equal to the aggregate amount for  
25 the taxable year of all additional exemptions under Section  
26 15-175 of the Property Tax Code for owners with a household  
27 income of \$30,000 or less. The county clerk of any county that  
28 is or was subject to the alternative general homestead  
29 exemption provisions of Section 15-176 of the Property Tax Code  
30 shall annually calculate and certify to the Department of  
31 Revenue for each school district all homestead exemption  
32 amounts under Section 15-176 of the Property Tax Code and all  
33 amounts of additional exemptions under Section 15-175 of the

1 Property Tax Code for owners with a household income of \$30,000  
2 or less. It is the intent of this paragraph that if the general  
3 homestead exemption for a parcel of property is determined  
4 under Section 15-176 of the Property Tax Code rather than  
5 Section 15-175, then the calculation of Available Local  
6 Resources shall not be affected by the difference, if any,  
7 between the amount of the general homestead exemption allowed  
8 for that parcel of property under Section 15-176 of the  
9 Property Tax Code and the amount that would have been allowed  
10 had the general homestead exemption for that parcel of property  
11 been determined under Section 15-175 of the Property Tax Code.  
12 It is further the intent of this paragraph that if additional  
13 exemptions are allowed under Section 15-175 of the Property Tax  
14 Code for owners with a household income of less than \$30,000,  
15 then the calculation of Available Local Resources shall not be  
16 affected by the difference, if any, because of those additional  
17 exemptions.

18 This equalized assessed valuation, as adjusted further by  
19 the requirements of this subsection, shall be utilized in the  
20 calculation of Available Local Resources.

21 (2) The equalized assessed valuation in paragraph (1) shall  
22 be adjusted, as applicable, in the following manner:

23 (a) For the purposes of calculating State aid under  
24 this Section, with respect to any part of a school district  
25 within a redevelopment project area in respect to which a  
26 municipality has adopted tax increment allocation  
27 financing pursuant to the Tax Increment Allocation  
28 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11  
29 of the Illinois Municipal Code or the Industrial Jobs  
30 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the  
31 Illinois Municipal Code, no part of the current equalized  
32 assessed valuation of real property located in any such  
33 project area which is attributable to an increase above the  
34 total initial equalized assessed valuation of such

1 property shall be used as part of the equalized assessed  
2 valuation of the district, until such time as all  
3 redevelopment project costs have been paid, as provided in  
4 Section 11-74.4-8 of the Tax Increment Allocation  
5 Redevelopment Act or in Section 11-74.6-35 of the  
6 Industrial Jobs Recovery Law. For the purpose of the  
7 equalized assessed valuation of the district, the total  
8 initial equalized assessed valuation or the current  
9 equalized assessed valuation, whichever is lower, shall be  
10 used until such time as all redevelopment project costs  
11 have been paid.

12 (b) The real property equalized assessed valuation for  
13 a school district shall be adjusted by subtracting from the  
14 real property value as equalized or assessed by the  
15 Department of Revenue for the district an amount computed  
16 by dividing the amount of any abatement of taxes under  
17 Section 18-170 of the Property Tax Code by 3.00% for a  
18 district maintaining grades kindergarten through 12, by  
19 2.30% for a district maintaining grades kindergarten  
20 through 8, or by 1.05% for a district maintaining grades 9  
21 through 12 and adjusted by an amount computed by dividing  
22 the amount of any abatement of taxes under subsection (a)  
23 of Section 18-165 of the Property Tax Code by the same  
24 percentage rates for district type as specified in this  
25 subparagraph (b).

26 (3) For the 1999-2000 school year and each school year  
27 thereafter, if a school district meets all of the criteria of  
28 this subsection (G) (3), the school district's Available Local  
29 Resources shall be calculated under subsection (D) using the  
30 district's Extension Limitation Equalized Assessed Valuation  
31 as calculated under this subsection (G) (3).

32 For purposes of this subsection (G) (3) the following terms  
33 shall have the following meanings:

34 "Budget Year": The school year for which general State

1 aid is calculated and awarded under subsection (E).

2 "Base Tax Year": The property tax levy year used to  
3 calculate the Budget Year allocation of general State aid.

4 "Preceding Tax Year": The property tax levy year  
5 immediately preceding the Base Tax Year.

6 "Base Tax Year's Tax Extension": The product of the  
7 equalized assessed valuation utilized by the County Clerk  
8 in the Base Tax Year multiplied by the limiting rate as  
9 calculated by the County Clerk and defined in the Property  
10 Tax Extension Limitation Law.

11 "Preceding Tax Year's Tax Extension": The product of  
12 the equalized assessed valuation utilized by the County  
13 Clerk in the Preceding Tax Year multiplied by the Operating  
14 Tax Rate as defined in subsection (A).

15 "Extension Limitation Ratio": A numerical ratio,  
16 certified by the County Clerk, in which the numerator is  
17 the Base Tax Year's Tax Extension and the denominator is  
18 the Preceding Tax Year's Tax Extension.

19 "Operating Tax Rate": The operating tax rate as defined  
20 in subsection (A).

21 If a school district is subject to property tax extension  
22 limitations as imposed under the Property Tax Extension  
23 Limitation Law, the State Board of Education shall calculate  
24 the Extension Limitation Equalized Assessed Valuation of that  
25 district. For the 1999-2000 school year, the Extension  
26 Limitation Equalized Assessed Valuation of a school district as  
27 calculated by the State Board of Education shall be equal to  
28 the product of the district's 1996 Equalized Assessed Valuation  
29 and the district's Extension Limitation Ratio. For the  
30 2000-2001 school year and each school year thereafter, the  
31 Extension Limitation Equalized Assessed Valuation of a school  
32 district as calculated by the State Board of Education shall be  
33 equal to the product of the Equalized Assessed Valuation last  
34 used in the calculation of general State aid and the district's



1 Extension Limitation Ratio. If the Extension Limitation  
2 Equalized Assessed Valuation of a school district as calculated  
3 under this subsection (G)(3) is less than the district's  
4 equalized assessed valuation as calculated pursuant to  
5 subsections (G)(1) and (G)(2), then for purposes of calculating  
6 the district's general State aid for the Budget Year pursuant  
7 to subsection (E), that Extension Limitation Equalized  
8 Assessed Valuation shall be utilized to calculate the  
9 district's Available Local Resources under subsection (D).

10 (4) For the purposes of calculating general State aid for  
11 the 1999-2000 school year only, if a school district  
12 experienced a triennial reassessment on the equalized assessed  
13 valuation used in calculating its general State financial aid  
14 apportionment for the 1998-1999 school year, the State Board of  
15 Education shall calculate the Extension Limitation Equalized  
16 Assessed Valuation that would have been used to calculate the  
17 district's 1998-1999 general State aid. This amount shall equal  
18 the product of the equalized assessed valuation used to  
19 calculate general State aid for the 1997-1998 school year and  
20 the district's Extension Limitation Ratio. If the Extension  
21 Limitation Equalized Assessed Valuation of the school district  
22 as calculated under this paragraph (4) is less than the  
23 district's equalized assessed valuation utilized in  
24 calculating the district's 1998-1999 general State aid  
25 allocation, then for purposes of calculating the district's  
26 general State aid pursuant to paragraph (5) of subsection (E),  
27 that Extension Limitation Equalized Assessed Valuation shall  
28 be utilized to calculate the district's Available Local  
29 Resources.

30 (5) For school districts having a majority of their  
31 equalized assessed valuation in any county except Cook, DuPage,  
32 Kane, Lake, McHenry, or Will, if the amount of general State  
33 aid allocated to the school district for the 1999-2000 school  
34 year under the provisions of subsection (E), (H), and (J) of

1 this Section is less than the amount of general State aid  
2 allocated to the district for the 1998-1999 school year under  
3 these subsections, then the general State aid of the district  
4 for the 1999-2000 school year only shall be increased by the  
5 difference between these amounts. The total payments made under  
6 this paragraph (5) shall not exceed \$14,000,000. Claims shall  
7 be prorated if they exceed \$14,000,000.

8 (H) Supplemental General State Aid.

9 (1) In addition to the general State aid a school district  
10 is allotted pursuant to subsection (E), qualifying school  
11 districts shall receive a grant, paid in conjunction with a  
12 district's payments of general State aid, for supplemental  
13 general State aid based upon the concentration level of  
14 children from low-income households within the school  
15 district. Supplemental State aid grants provided for school  
16 districts under this subsection shall be appropriated for  
17 distribution to school districts as part of the same line item  
18 in which the general State financial aid of school districts is  
19 appropriated under this Section. If the appropriation in any  
20 fiscal year for general State aid and supplemental general  
21 State aid is insufficient to pay the amounts required under the  
22 general State aid and supplemental general State aid  
23 calculations, then the State Board of Education shall ensure  
24 that each school district receives the full amount due for  
25 general State aid and the remainder of the appropriation shall  
26 be used for supplemental general State aid, which the State  
27 Board of Education shall calculate and pay to eligible  
28 districts on a prorated basis.

29 (1.5) This paragraph (1.5) applies only to those school  
30 years preceding the 2003-2004 school year. For purposes of this  
31 subsection (H), the term "Low-Income Concentration Level"  
32 shall be the low-income eligible pupil count from the most  
33 recently available federal census divided by the Average Daily

1 Attendance of the school district. If, however, (i) the  
2 percentage decrease from the 2 most recent federal censuses in  
3 the low-income eligible pupil count of a high school district  
4 with fewer than 400 students exceeds by 75% or more the  
5 percentage change in the total low-income eligible pupil count  
6 of contiguous elementary school districts, whose boundaries  
7 are coterminous with the high school district, or (ii) a high  
8 school district within 2 counties and serving 5 elementary  
9 school districts, whose boundaries are coterminous with the  
10 high school district, has a percentage decrease from the 2 most  
11 recent federal censuses in the low-income eligible pupil count  
12 and there is a percentage increase in the total low-income  
13 eligible pupil count of a majority of the elementary school  
14 districts in excess of 50% from the 2 most recent federal  
15 censuses, then the high school district's low-income eligible  
16 pupil count from the earlier federal census shall be the number  
17 used as the low-income eligible pupil count for the high school  
18 district, for purposes of this subsection (H). The changes made  
19 to this paragraph (1) by Public Act 92-28 shall apply to  
20 supplemental general State aid grants for school years  
21 preceding the 2003-2004 school year that are paid in fiscal  
22 year 1999 or thereafter and to any State aid payments made in  
23 fiscal year 1994 through fiscal year 1998 pursuant to  
24 subsection 1(n) of Section 18-8 of this Code (which was  
25 repealed on July 1, 1998), and any high school district that is  
26 affected by Public Act 92-28 is entitled to a recomputation of  
27 its supplemental general State aid grant or State aid paid in  
28 any of those fiscal years. This recomputation shall not be  
29 affected by any other funding.

30 (1.10) This paragraph (1.10) applies to the 2003-2004  
31 school year and each school year thereafter. For purposes of  
32 this subsection (H), the term "Low-Income Concentration Level"  
33 shall, for each fiscal year, be the low-income eligible pupil  
34 count as of July 1 of the immediately preceding fiscal year (as

1 determined by the Department of Human Services based on the  
2 number of pupils who are eligible for at least one of the  
3 following low income programs: Medicaid, KidCare, TANF, or Food  
4 Stamps, excluding pupils who are eligible for services provided  
5 by the Department of Children and Family Services, averaged  
6 over the 2 immediately preceding fiscal years for fiscal year  
7 2004 and over the 3 immediately preceding fiscal years for each  
8 fiscal year thereafter) divided by the Average Daily Attendance  
9 of the school district.

10 (2) Supplemental general State aid pursuant to this  
11 subsection (H) shall be provided as follows for the 1998-1999,  
12 1999-2000, and 2000-2001 school years only:

13 (a) For any school district with a Low Income  
14 Concentration Level of at least 20% and less than 35%, the  
15 grant for any school year shall be \$800 multiplied by the  
16 low income eligible pupil count.

17 (b) For any school district with a Low Income  
18 Concentration Level of at least 35% and less than 50%, the  
19 grant for the 1998-1999 school year shall be \$1,100  
20 multiplied by the low income eligible pupil count.

21 (c) For any school district with a Low Income  
22 Concentration Level of at least 50% and less than 60%, the  
23 grant for the 1998-99 school year shall be \$1,500  
24 multiplied by the low income eligible pupil count.

25 (d) For any school district with a Low Income  
26 Concentration Level of 60% or more, the grant for the  
27 1998-99 school year shall be \$1,900 multiplied by the low  
28 income eligible pupil count.

29 (e) For the 1999-2000 school year, the per pupil amount  
30 specified in subparagraphs (b), (c), and (d) immediately  
31 above shall be increased to \$1,243, \$1,600, and \$2,000,  
32 respectively.

33 (f) For the 2000-2001 school year, the per pupil  
34 amounts specified in subparagraphs (b), (c), and (d)

1 immediately above shall be \$1,273, \$1,640, and \$2,050,  
2 respectively.

3 (2.5) Supplemental general State aid pursuant to this  
4 subsection (H) shall be provided as follows for the 2002-2003  
5 school year:

6 (a) For any school district with a Low Income  
7 Concentration Level of less than 10%, the grant for each  
8 school year shall be \$355 multiplied by the low income  
9 eligible pupil count.

10 (b) For any school district with a Low Income  
11 Concentration Level of at least 10% and less than 20%, the  
12 grant for each school year shall be \$675 multiplied by the  
13 low income eligible pupil count.

14 (c) For any school district with a Low Income  
15 Concentration Level of at least 20% and less than 35%, the  
16 grant for each school year shall be \$1,330 multiplied by  
17 the low income eligible pupil count.

18 (d) For any school district with a Low Income  
19 Concentration Level of at least 35% and less than 50%, the  
20 grant for each school year shall be \$1,362 multiplied by  
21 the low income eligible pupil count.

22 (e) For any school district with a Low Income  
23 Concentration Level of at least 50% and less than 60%, the  
24 grant for each school year shall be \$1,680 multiplied by  
25 the low income eligible pupil count.

26 (f) For any school district with a Low Income  
27 Concentration Level of 60% or more, the grant for each  
28 school year shall be \$2,080 multiplied by the low income  
29 eligible pupil count.

30 (2.10) Except as otherwise provided, supplemental general  
31 State aid pursuant to this subsection (H) shall be provided as  
32 follows for the 2003-2004 school year and each school year  
33 thereafter:

34 (a) For any school district with a Low Income

1 Concentration Level of 15% or less, the grant for each  
2 school year shall be \$355 multiplied by the low income  
3 eligible pupil count.

4 (b) For any school district with a Low Income  
5 Concentration Level greater than 15%, the grant for each  
6 school year shall be \$294.25 added to the product of \$2,700  
7 and the square of the Low Income Concentration Level, all  
8 multiplied by the low income eligible pupil count.

9 For the 2003-2004 school year only, the grant shall be no  
10 less than the grant for the 2002-2003 school year. For the  
11 2004-2005 school year only, the grant shall be no less than the  
12 grant for the 2002-2003 school year multiplied by 0.66. For the  
13 2005-2006 school year only, the grant shall be no less than the  
14 grant for the 2002-2003 school year multiplied by 0.33.

15 For the 2003-2004 school year only, the grant shall be no  
16 greater than the grant received during the 2002-2003 school  
17 year added to the product of 0.25 multiplied by the difference  
18 between the grant amount calculated under subsection (a) or (b)  
19 of this paragraph (2.10), whichever is applicable, and the  
20 grant received during the 2002-2003 school year. For the  
21 2004-2005 school year only, the grant shall be no greater than  
22 the grant received during the 2002-2003 school year added to  
23 the product of 0.50 multiplied by the difference between the  
24 grant amount calculated under subsection (a) or (b) of this  
25 paragraph (2.10), whichever is applicable, and the grant  
26 received during the 2002-2003 school year. For the 2005-2006  
27 school year only, the grant shall be no greater than the grant  
28 received during the 2002-2003 school year added to the product  
29 of 0.75 multiplied by the difference between the grant amount  
30 calculated under subsection (a) or (b) of this paragraph  
31 (2.10), whichever is applicable, and the grant received during  
32 the 2002-2003 school year.

33 (3) School districts with an Average Daily Attendance of  
34 more than 1,000 and less than 50,000 that qualify for

1 supplemental general State aid pursuant to this subsection  
2 shall submit a plan to the State Board of Education prior to  
3 October 30 of each year for the use of the funds resulting from  
4 this grant of supplemental general State aid for the  
5 improvement of instruction in which priority is given to  
6 meeting the education needs of disadvantaged children. Such  
7 plan shall be submitted in accordance with rules and  
8 regulations promulgated by the State Board of Education.

9 (4) School districts with an Average Daily Attendance of  
10 50,000 or more that qualify for supplemental general State aid  
11 pursuant to this subsection shall be required to distribute  
12 from funds available pursuant to this Section, no less than  
13 \$261,000,000 in accordance with the following requirements:

14 (a) The required amounts shall be distributed to the  
15 attendance centers within the district in proportion to the  
16 number of pupils enrolled at each attendance center who are  
17 eligible to receive free or reduced-price lunches or  
18 breakfasts under the federal Child Nutrition Act of 1966  
19 and under the National School Lunch Act during the  
20 immediately preceding school year.

21 (b) The distribution of these portions of supplemental  
22 and general State aid among attendance centers according to  
23 these requirements shall not be compensated for or  
24 contravened by adjustments of the total of other funds  
25 appropriated to any attendance centers, and the Board of  
26 Education shall utilize funding from one or several sources  
27 in order to fully implement this provision annually prior  
28 to the opening of school.

29 (c) Each attendance center shall be provided by the  
30 school district a distribution of noncategorical funds and  
31 other categorical funds to which an attendance center is  
32 entitled under law in order that the general State aid and  
33 supplemental general State aid provided by application of  
34 this subsection supplements rather than supplants the

1 noncategorical funds and other categorical funds provided  
2 by the school district to the attendance centers.

3 (d) Any funds made available under this subsection that  
4 by reason of the provisions of this subsection are not  
5 required to be allocated and provided to attendance centers  
6 may be used and appropriated by the board of the district  
7 for any lawful school purpose.

8 (e) Funds received by an attendance center pursuant to  
9 this subsection shall be used by the attendance center at  
10 the discretion of the principal and local school council  
11 for programs to improve educational opportunities at  
12 qualifying schools through the following programs and  
13 services: early childhood education, reduced class size or  
14 improved adult to student classroom ratio, enrichment  
15 programs, remedial assistance, attendance improvement, and  
16 other educationally beneficial expenditures which  
17 supplement the regular and basic programs as determined by  
18 the State Board of Education. Funds provided shall not be  
19 expended for any political or lobbying purposes as defined  
20 by board rule.

21 (f) Each district subject to the provisions of this  
22 subdivision (H) (4) shall submit an acceptable plan to meet  
23 the educational needs of disadvantaged children, in  
24 compliance with the requirements of this paragraph, to the  
25 State Board of Education prior to July 15 of each year.  
26 This plan shall be consistent with the decisions of local  
27 school councils concerning the school expenditure plans  
28 developed in accordance with part 4 of Section 34-2.3. The  
29 State Board shall approve or reject the plan within 60 days  
30 after its submission. If the plan is rejected, the district  
31 shall give written notice of intent to modify the plan  
32 within 15 days of the notification of rejection and then  
33 submit a modified plan within 30 days after the date of the  
34 written notice of intent to modify. Districts may amend



1 approved plans pursuant to rules promulgated by the State  
2 Board of Education.

3 Upon notification by the State Board of Education that  
4 the district has not submitted a plan prior to July 15 or a  
5 modified plan within the time period specified herein, the  
6 State aid funds affected by that plan or modified plan  
7 shall be withheld by the State Board of Education until a  
8 plan or modified plan is submitted.

9 If the district fails to distribute State aid to  
10 attendance centers in accordance with an approved plan, the  
11 plan for the following year shall allocate funds, in  
12 addition to the funds otherwise required by this  
13 subsection, to those attendance centers which were  
14 underfunded during the previous year in amounts equal to  
15 such underfunding.

16 For purposes of determining compliance with this  
17 subsection in relation to the requirements of attendance  
18 center funding, each district subject to the provisions of  
19 this subsection shall submit as a separate document by  
20 December 1 of each year a report of expenditure data for  
21 the prior year in addition to any modification of its  
22 current plan. If it is determined that there has been a  
23 failure to comply with the expenditure provisions of this  
24 subsection regarding contravention or supplanting, the  
25 State Superintendent of Education shall, within 60 days of  
26 receipt of the report, notify the district and any affected  
27 local school council. The district shall within 45 days of  
28 receipt of that notification inform the State  
29 Superintendent of Education of the remedial or corrective  
30 action to be taken, whether by amendment of the current  
31 plan, if feasible, or by adjustment in the plan for the  
32 following year. Failure to provide the expenditure report  
33 or the notification of remedial or corrective action in a  
34 timely manner shall result in a withholding of the affected

1 funds.

2 The State Board of Education shall promulgate rules and  
3 regulations to implement the provisions of this  
4 subsection. No funds shall be released under this  
5 subdivision (H) (4) to any district that has not submitted a  
6 plan that has been approved by the State Board of  
7 Education.

8 (I) General State Aid for Newly Configured School Districts.

9 (1) For a new school district formed by combining property  
10 included totally within 2 or more previously existing school  
11 districts, for its first year of existence the general State  
12 aid and supplemental general State aid calculated under this  
13 Section shall be computed for the new district and for the  
14 previously existing districts for which property is totally  
15 included within the new district. If the computation on the  
16 basis of the previously existing districts is greater, a  
17 supplementary payment equal to the difference shall be made for  
18 the first 4 years of existence of the new district.

19 (2) For a school district which annexes all of the  
20 territory of one or more entire other school districts, for the  
21 first year during which the change of boundaries attributable  
22 to such annexation becomes effective for all purposes as  
23 determined under Section 7-9 or 7A-8, the general State aid and  
24 supplemental general State aid calculated under this Section  
25 shall be computed for the annexing district as constituted  
26 after the annexation and for the annexing and each annexed  
27 district as constituted prior to the annexation; and if the  
28 computation on the basis of the annexing and annexed districts  
29 as constituted prior to the annexation is greater, a  
30 supplementary payment equal to the difference shall be made for  
31 the first 4 years of existence of the annexing school district  
32 as constituted upon such annexation.

33 (3) For 2 or more school districts which annex all of the

1 territory of one or more entire other school districts, and for  
2 2 or more community unit districts which result upon the  
3 division (pursuant to petition under Section 11A-2) of one or  
4 more other unit school districts into 2 or more parts and which  
5 together include all of the parts into which such other unit  
6 school district or districts are so divided, for the first year  
7 during which the change of boundaries attributable to such  
8 annexation or division becomes effective for all purposes as  
9 determined under Section 7-9 or 11A-10, as the case may be, the  
10 general State aid and supplemental general State aid calculated  
11 under this Section shall be computed for each annexing or  
12 resulting district as constituted after the annexation or  
13 division and for each annexing and annexed district, or for  
14 each resulting and divided district, as constituted prior to  
15 the annexation or division; and if the aggregate of the general  
16 State aid and supplemental general State aid as so computed for  
17 the annexing or resulting districts as constituted after the  
18 annexation or division is less than the aggregate of the  
19 general State aid and supplemental general State aid as so  
20 computed for the annexing and annexed districts, or for the  
21 resulting and divided districts, as constituted prior to the  
22 annexation or division, then a supplementary payment equal to  
23 the difference shall be made and allocated between or among the  
24 annexing or resulting districts, as constituted upon such  
25 annexation or division, for the first 4 years of their  
26 existence. The total difference payment shall be allocated  
27 between or among the annexing or resulting districts in the  
28 same ratio as the pupil enrollment from that portion of the  
29 annexed or divided district or districts which is annexed to or  
30 included in each such annexing or resulting district bears to  
31 the total pupil enrollment from the entire annexed or divided  
32 district or districts, as such pupil enrollment is determined  
33 for the school year last ending prior to the date when the  
34 change of boundaries attributable to the annexation or division

1 becomes effective for all purposes. The amount of the total  
2 difference payment and the amount thereof to be allocated to  
3 the annexing or resulting districts shall be computed by the  
4 State Board of Education on the basis of pupil enrollment and  
5 other data which shall be certified to the State Board of  
6 Education, on forms which it shall provide for that purpose, by  
7 the regional superintendent of schools for each educational  
8 service region in which the annexing and annexed districts, or  
9 resulting and divided districts are located.

10 (3.5) Claims for financial assistance under this  
11 subsection (I) shall not be recomputed except as expressly  
12 provided under this Section.

13 (4) Any supplementary payment made under this subsection  
14 (I) shall be treated as separate from all other payments made  
15 pursuant to this Section.

16 (J) Supplementary Grants in Aid.

17 (1) Notwithstanding any other provisions of this Section,  
18 the amount of the aggregate general State aid in combination  
19 with supplemental general State aid under this Section for  
20 which each school district is eligible shall be no less than  
21 the amount of the aggregate general State aid entitlement that  
22 was received by the district under Section 18-8 (exclusive of  
23 amounts received under subsections 5(p) and 5(p-5) of that  
24 Section) for the 1997-98 school year, pursuant to the  
25 provisions of that Section as it was then in effect. If a  
26 school district qualifies to receive a supplementary payment  
27 made under this subsection (J), the amount of the aggregate  
28 general State aid in combination with supplemental general  
29 State aid under this Section which that district is eligible to  
30 receive for each school year shall be no less than the amount  
31 of the aggregate general State aid entitlement that was  
32 received by the district under Section 18-8 (exclusive of  
33 amounts received under subsections 5(p) and 5(p-5) of that

1 Section) for the 1997-1998 school year, pursuant to the  
2 provisions of that Section as it was then in effect.

3 (2) If, as provided in paragraph (1) of this subsection  
4 (J), a school district is to receive aggregate general State  
5 aid in combination with supplemental general State aid under  
6 this Section for the 1998-99 school year and any subsequent  
7 school year that in any such school year is less than the  
8 amount of the aggregate general State aid entitlement that the  
9 district received for the 1997-98 school year, the school  
10 district shall also receive, from a separate appropriation made  
11 for purposes of this subsection (J), a supplementary payment  
12 that is equal to the amount of the difference in the aggregate  
13 State aid figures as described in paragraph (1).

14 (3) (Blank).

15 (K) Grants to Laboratory and Alternative Schools.

16 In calculating the amount to be paid to the governing board  
17 of a public university that operates a laboratory school under  
18 this Section or to any alternative school that is operated by a  
19 regional superintendent of schools, the State Board of  
20 Education shall require by rule such reporting requirements as  
21 it deems necessary.

22 As used in this Section, "laboratory school" means a public  
23 school which is created and operated by a public university and  
24 approved by the State Board of Education. The governing board  
25 of a public university which receives funds from the State  
26 Board under this subsection (K) may not increase the number of  
27 students enrolled in its laboratory school from a single  
28 district, if that district is already sending 50 or more  
29 students, except under a mutual agreement between the school  
30 board of a student's district of residence and the university  
31 which operates the laboratory school. A laboratory school may  
32 not have more than 1,000 students, excluding students with  
33 disabilities in a special education program.

1           As used in this Section, "alternative school" means a  
2 public school which is created and operated by a Regional  
3 Superintendent of Schools and approved by the State Board of  
4 Education. Such alternative schools may offer courses of  
5 instruction for which credit is given in regular school  
6 programs, courses to prepare students for the high school  
7 equivalency testing program or vocational and occupational  
8 training. A regional superintendent of schools may contract  
9 with a school district or a public community college district  
10 to operate an alternative school. An alternative school serving  
11 more than one educational service region may be established by  
12 the regional superintendents of schools of the affected  
13 educational service regions. An alternative school serving  
14 more than one educational service region may be operated under  
15 such terms as the regional superintendents of schools of those  
16 educational service regions may agree.

17           Each laboratory and alternative school shall file, on forms  
18 provided by the State Superintendent of Education, an annual  
19 State aid claim which states the Average Daily Attendance of  
20 the school's students by month. The best 3 months' Average  
21 Daily Attendance shall be computed for each school. The general  
22 State aid entitlement shall be computed by multiplying the  
23 applicable Average Daily Attendance by the Foundation Level as  
24 determined under this Section.

25       (L) Payments, Additional Grants in Aid and Other Requirements.

26           (1) For a school district operating under the financial  
27 supervision of an Authority created under Article 34A, the  
28 general State aid otherwise payable to that district under this  
29 Section, but not the supplemental general State aid, shall be  
30 reduced by an amount equal to the budget for the operations of  
31 the Authority as certified by the Authority to the State Board  
32 of Education, and an amount equal to such reduction shall be  
33 paid to the Authority created for such district for its

1 operating expenses in the manner provided in Section 18-11. The  
2 remainder of general State school aid for any such district  
3 shall be paid in accordance with Article 34A when that Article  
4 provides for a disposition other than that provided by this  
5 Article.

6 (2) (Blank).

7 (3) Summer school. Summer school payments shall be made as  
8 provided in Section 18-4.3.

9 (M) Education Funding Advisory Board.

10 The Education Funding Advisory Board, hereinafter in this  
11 subsection (M) referred to as the "Board", is hereby created.  
12 The Board shall consist of 5 members who are appointed by the  
13 Governor, by and with the advice and consent of the Senate. The  
14 members appointed shall include representatives of education,  
15 business, and the general public. One of the members so  
16 appointed shall be designated by the Governor at the time the  
17 appointment is made as the chairperson of the Board. The  
18 initial members of the Board may be appointed any time after  
19 the effective date of this amendatory Act of 1997. The regular  
20 term of each member of the Board shall be for 4 years from the  
21 third Monday of January of the year in which the term of the  
22 member's appointment is to commence, except that of the 5  
23 initial members appointed to serve on the Board, the member who  
24 is appointed as the chairperson shall serve for a term that  
25 commences on the date of his or her appointment and expires on  
26 the third Monday of January, 2002, and the remaining 4 members,  
27 by lots drawn at the first meeting of the Board that is held  
28 after all 5 members are appointed, shall determine 2 of their  
29 number to serve for terms that commence on the date of their  
30 respective appointments and expire on the third Monday of  
31 January, 2001, and 2 of their number to serve for terms that  
32 commence on the date of their respective appointments and  
33 expire on the third Monday of January, 2000. All members

1 appointed to serve on the Board shall serve until their  
2 respective successors are appointed and confirmed. Vacancies  
3 shall be filled in the same manner as original appointments. If  
4 a vacancy in membership occurs at a time when the Senate is not  
5 in session, the Governor shall make a temporary appointment  
6 until the next meeting of the Senate, when he or she shall  
7 appoint, by and with the advice and consent of the Senate, a  
8 person to fill that membership for the unexpired term. If the  
9 Senate is not in session when the initial appointments are  
10 made, those appointments shall be made as in the case of  
11 vacancies.

12 The Education Funding Advisory Board shall be deemed  
13 established, and the initial members appointed by the Governor  
14 to serve as members of the Board shall take office, on the date  
15 that the Governor makes his or her appointment of the fifth  
16 initial member of the Board, whether those initial members are  
17 then serving pursuant to appointment and confirmation or  
18 pursuant to temporary appointments that are made by the  
19 Governor as in the case of vacancies.

20 The State Board of Education shall provide such staff  
21 assistance to the Education Funding Advisory Board as is  
22 reasonably required for the proper performance by the Board of  
23 its responsibilities.

24 For school years after the 2000-2001 school year, the  
25 Education Funding Advisory Board, in consultation with the  
26 State Board of Education, shall make recommendations as  
27 provided in this subsection (M) to the General Assembly for the  
28 foundation level under subdivision (B)(3) of this Section and  
29 for the supplemental general State aid grant level under  
30 subsection (H) of this Section for districts with high  
31 concentrations of children from poverty. The recommended  
32 foundation level shall be determined based on a methodology  
33 which incorporates the basic education expenditures of  
34 low-spending schools exhibiting high academic performance. The



1 Education Funding Advisory Board shall make such  
2 recommendations to the General Assembly on January 1 of odd  
3 numbered years, beginning January 1, 2001.

4 (N) (Blank).

5 (O) References.

6 (1) References in other laws to the various subdivisions of  
7 Section 18-8 as that Section existed before its repeal and  
8 replacement by this Section 18-8.05 shall be deemed to refer to  
9 the corresponding provisions of this Section 18-8.05, to the  
10 extent that those references remain applicable.

11 (2) References in other laws to State Chapter 1 funds shall  
12 be deemed to refer to the supplemental general State aid  
13 provided under subsection (H) of this Section.

14 (Source: P.A. 92-16, eff. 6-28-01; 92-28, eff. 7-1-01; 92-29,  
15 eff. 7-1-01; 92-269, eff. 8-7-01; 92-604, eff. 7-1-02; 92-636,  
16 eff. 7-11-02; 92-651, eff. 7-11-02; 93-21, eff. 7-1-03.)

17 Section 40. The Criminal Code of 1961 is amended by  
18 changing Section 17A-1 as follows:

19 (720 ILCS 5/17A-1) (from Ch. 38, par. 17A-1)

20 Sec. 17A-1. Persons under deportation order; ineligible  
21 for benefits. An individual against whom a United States  
22 Immigration Judge has issued an order of deportation which has  
23 been affirmed by the Board of Immigration Review, as well as an  
24 individual who appeals such an order pending appeal, under  
25 paragraph 19 of Section 241(a) of the Immigration and  
26 Nationality Act relating to persecution of others on account of  
27 race, religion, national origin or political opinion under the  
28 direction of or in association with the Nazi government of  
29 Germany or its allies, shall be ineligible for the following  
30 benefits authorized by State law:

1 (a) The homestead exemptions ~~exemption~~ and homestead  
2 improvement exemption under Sections 15-170, 15-175, 15-176,  
3 and 15-180 of the Property Tax Code.

4 (b) Grants under the Senior Citizens and Disabled Persons  
5 Property Tax Relief and Pharmaceutical Assistance Act.

6 (c) The double income tax exemption conferred upon persons  
7 65 years of age or older by Section 204 of the Illinois Income  
8 Tax Act.

9 (d) Grants provided by the Department on Aging.

10 (e) Reductions in vehicle registration fees under Section  
11 3-806.3 of the Illinois Vehicle Code.

12 (f) Free fishing and reduced fishing license fees under  
13 Sections 20-5 and 20-40 of the Fish and Aquatic Life Code.

14 (g) Tuition free courses for senior citizens under the  
15 Senior Citizen Courses Act.

16 (h) Any benefits under the Illinois Public Aid Code.

17 (Source: P.A. 87-895; 88-670, eff. 12-2-94.)

18 Section 90. The State Mandates Act is amended by adding  
19 Section 8.28 as follows:

20 (30 ILCS 805/8.28 new)

21 Sec. 8.28. Exempt mandate. Notwithstanding Sections 6 and 8  
22 of this Act, no reimbursement by the State is required for the  
23 implementation of any mandate created by the Senior Citizens  
24 Assessment Freeze Homestead Exemption under Section 15-172 of  
25 the Property Tax Code, the General Homestead Exemption under  
26 Section 15-175 of the Property Tax Code, the alternative  
27 General Homestead Exemption under Section 15-176 of the  
28 Property Tax Code, the Homestead Improvements Exemption under  
29 Section 15-180 of the Property Tax Code, and by this amendatory  
30 Act of the 93rd General Assembly.

31 Section 99. Effective date. This Act takes effect upon

1 becoming law.".