



Rep. Jim Sacia

**Filed: 5/6/2004**

09300SB2432ham001

LRB093 19651 BDD 50550 a

1 AMENDMENT TO SENATE BILL 2432

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 2432 on page 1, by  
3 replacing line 5 with the following:

4 "Sections 18-185 and 21-117 as follows:

5 (35 ILCS 200/18-185)

6 Sec. 18-185. Short title; definitions. This Division 5 may  
7 be cited as the Property Tax Extension Limitation Law. As used  
8 in this Division 5:

9 "Consumer Price Index" means the Consumer Price Index for  
10 All Urban Consumers for all items published by the United  
11 States Department of Labor.

12 "Extension limitation" means (a) the lesser of 5% or the  
13 percentage increase in the Consumer Price Index during the  
14 12-month calendar year preceding the levy year or (b) the rate  
15 of increase approved by voters under Section 18-205.

16 "Affected county" means a county of 3,000,000 or more  
17 inhabitants or a county contiguous to a county of 3,000,000 or  
18 more inhabitants.

19 "Taxing district" has the same meaning provided in Section  
20 1-150, except as otherwise provided in this Section. For the  
21 1991 through 1994 levy years only, "taxing district" includes  
22 only each non-home rule taxing district having the majority of  
23 its 1990 equalized assessed value within any county or counties  
24 contiguous to a county with 3,000,000 or more inhabitants.  
25 Beginning with the 1995 levy year, "taxing district" includes

1 only each non-home rule taxing district subject to this Law  
2 before the 1995 levy year and each non-home rule taxing  
3 district not subject to this Law before the 1995 levy year  
4 having the majority of its 1994 equalized assessed value in an  
5 affected county or counties. Beginning with the levy year in  
6 which this Law becomes applicable to a taxing district as  
7 provided in Section 18-213, "taxing district" also includes  
8 those taxing districts made subject to this Law as provided in  
9 Section 18-213.

10 "Aggregate extension" for taxing districts to which this  
11 Law applied before the 1995 levy year means the annual  
12 corporate extension for the taxing district and those special  
13 purpose extensions that are made annually for the taxing  
14 district, excluding special purpose extensions: (a) made for  
15 the taxing district to pay interest or principal on general  
16 obligation bonds that were approved by referendum; (b) made for  
17 any taxing district to pay interest or principal on general  
18 obligation bonds issued before October 1, 1991; (c) made for  
19 any taxing district to pay interest or principal on bonds  
20 issued to refund or continue to refund those bonds issued  
21 before October 1, 1991; (d) made for any taxing district to pay  
22 interest or principal on bonds issued to refund or continue to  
23 refund bonds issued after October 1, 1991 that were approved by  
24 referendum; (e) made for any taxing district to pay interest or  
25 principal on revenue bonds issued before October 1, 1991 for  
26 payment of which a property tax levy or the full faith and  
27 credit of the unit of local government is pledged; however, a  
28 tax for the payment of interest or principal on those bonds  
29 shall be made only after the governing body of the unit of  
30 local government finds that all other sources for payment are  
31 insufficient to make those payments; (f) made for payments  
32 under a building commission lease when the lease payments are  
33 for the retirement of bonds issued by the commission before  
34 October 1, 1991, to pay for the building project; (g) made for

1 payments due under installment contracts entered into before  
2 October 1, 1991; (h) made for payments of principal and  
3 interest on bonds issued under the Metropolitan Water  
4 Reclamation District Act to finance construction projects  
5 initiated before October 1, 1991; (i) made for payments of  
6 principal and interest on limited bonds, as defined in Section  
7 3 of the Local Government Debt Reform Act, in an amount not to  
8 exceed the debt service extension base less the amount in items  
9 (b), (c), (e), and (h) of this definition for non-referendum  
10 obligations, except obligations initially issued pursuant to  
11 referendum; (j) made for payments of principal and interest on  
12 bonds issued under Section 15 of the Local Government Debt  
13 Reform Act; (k) made by a school district that participates in  
14 the Special Education District of Lake County, created by  
15 special education joint agreement under Section 10-22.31 of the  
16 School Code, for payment of the school district's share of the  
17 amounts required to be contributed by the Special Education  
18 District of Lake County to the Illinois Municipal Retirement  
19 Fund under Article 7 of the Illinois Pension Code; the amount  
20 of any extension under this item (k) shall be certified by the  
21 school district to the county clerk; and (l) made to fund  
22 expenses of providing joint recreational programs for the  
23 handicapped under Section 5-8 of the Park District Code or  
24 Section 11-95-14 of the Illinois Municipal Code.

25 "Aggregate extension" for the taxing districts to which  
26 this Law did not apply before the 1995 levy year (except taxing  
27 districts subject to this Law in accordance with Section  
28 18-213) means the annual corporate extension for the taxing  
29 district and those special purpose extensions that are made  
30 annually for the taxing district, excluding special purpose  
31 extensions: (a) made for the taxing district to pay interest or  
32 principal on general obligation bonds that were approved by  
33 referendum; (b) made for any taxing district to pay interest or  
34 principal on general obligation bonds issued before March 1,

1 1995; (c) made for any taxing district to pay interest or  
2 principal on bonds issued to refund or continue to refund those  
3 bonds issued before March 1, 1995; (d) made for any taxing  
4 district to pay interest or principal on bonds issued to refund  
5 or continue to refund bonds issued after March 1, 1995 that  
6 were approved by referendum; (e) made for any taxing district  
7 to pay interest or principal on revenue bonds issued before  
8 March 1, 1995 for payment of which a property tax levy or the  
9 full faith and credit of the unit of local government is  
10 pledged; however, a tax for the payment of interest or  
11 principal on those bonds shall be made only after the governing  
12 body of the unit of local government finds that all other  
13 sources for payment are insufficient to make those payments;  
14 (f) made for payments under a building commission lease when  
15 the lease payments are for the retirement of bonds issued by  
16 the commission before March 1, 1995 to pay for the building  
17 project; (g) made for payments due under installment contracts  
18 entered into before March 1, 1995; (h) made for payments of  
19 principal and interest on bonds issued under the Metropolitan  
20 Water Reclamation District Act to finance construction  
21 projects initiated before October 1, 1991; (i) made for  
22 payments of principal and interest on limited bonds, as defined  
23 in Section 3 of the Local Government Debt Reform Act, in an  
24 amount not to exceed the debt service extension base less the  
25 amount in items (b), (c), and (e) of this definition for  
26 non-referendum obligations, except obligations initially  
27 issued pursuant to referendum and bonds described in subsection  
28 (h) of this definition; (j) made for payments of principal and  
29 interest on bonds issued under Section 15 of the Local  
30 Government Debt Reform Act; (k) made for payments of principal  
31 and interest on bonds authorized by Public Act 88-503 and  
32 issued under Section 20a of the Chicago Park District Act for  
33 aquarium or museum projects; (l) made for payments of principal  
34 and interest on bonds authorized by Public Act 87-1191 or

1 ~~93-601 this amendatory Act of the 93rd General Assembly~~ and (i)  
2 issued pursuant to Section 21.2 of the Cook County Forest  
3 Preserve District Act, (ii) issued under Section 42 of the Cook  
4 County Forest Preserve District Act for zoological park  
5 projects, or (iii) issued under Section 44.1 of the Cook County  
6 Forest Preserve District Act for botanical gardens projects;  
7 (m) made pursuant to Section 34-53.5 of the School Code,  
8 whether levied annually or not; (n) made to fund expenses of  
9 providing joint recreational programs for the handicapped  
10 under Section 5-8 of the Park District Code or Section 11-95-14  
11 of the Illinois Municipal Code; and (o) made by the Chicago  
12 Park District for recreational programs for the handicapped  
13 under subsection (c) of Section 7.06 of the Chicago Park  
14 District Act.

15 "Aggregate extension" for all taxing districts to which  
16 this Law applies in accordance with Section 18-213, except for  
17 those taxing districts subject to paragraph (2) of subsection  
18 (e) of Section 18-213, means the annual corporate extension for  
19 the taxing district and those special purpose extensions that  
20 are made annually for the taxing district, excluding special  
21 purpose extensions: (a) made for the taxing district to pay  
22 interest or principal on general obligation bonds that were  
23 approved by referendum; (b) made for any taxing district to pay  
24 interest or principal on general obligation bonds issued before  
25 the date on which the referendum making this Law applicable to  
26 the taxing district is held; (c) made for any taxing district  
27 to pay interest or principal on bonds issued to refund or  
28 continue to refund those bonds issued before the date on which  
29 the referendum making this Law applicable to the taxing  
30 district is held; (d) made for any taxing district to pay  
31 interest or principal on bonds issued to refund or continue to  
32 refund bonds issued after the date on which the referendum  
33 making this Law applicable to the taxing district is held if  
34 the bonds were approved by referendum after the date on which

1 the referendum making this Law applicable to the taxing  
2 district is held; (e) made for any taxing district to pay  
3 interest or principal on revenue bonds issued before the date  
4 on which the referendum making this Law applicable to the  
5 taxing district is held for payment of which a property tax  
6 levy or the full faith and credit of the unit of local  
7 government is pledged; however, a tax for the payment of  
8 interest or principal on those bonds shall be made only after  
9 the governing body of the unit of local government finds that  
10 all other sources for payment are insufficient to make those  
11 payments; (f) made for payments under a building commission  
12 lease when the lease payments are for the retirement of bonds  
13 issued by the commission before the date on which the  
14 referendum making this Law applicable to the taxing district is  
15 held to pay for the building project; (g) made for payments due  
16 under installment contracts entered into before the date on  
17 which the referendum making this Law applicable to the taxing  
18 district is held; (h) made for payments of principal and  
19 interest on limited bonds, as defined in Section 3 of the Local  
20 Government Debt Reform Act, in an amount not to exceed the debt  
21 service extension base less the amount in items (b), (c), and  
22 (e) of this definition for non-referendum obligations, except  
23 obligations initially issued pursuant to referendum; (i) made  
24 for payments of principal and interest on bonds issued under  
25 Section 15 of the Local Government Debt Reform Act; (j) made  
26 for a qualified airport authority to pay interest or principal  
27 on general obligation bonds issued for the purpose of paying  
28 obligations due under, or financing airport facilities  
29 required to be acquired, constructed, installed or equipped  
30 pursuant to, contracts entered into before March 1, 1996 (but  
31 not including any amendments to such a contract taking effect  
32 on or after that date); ~~and~~ (k) made to fund expenses of  
33 providing joint recreational programs for the handicapped  
34 under Section 5-8 of the Park District Code or Section 11-95-14

1 of the Illinois Municipal Code; and (1) made for payments of  
2 principal and interest on bonds issued before July 1, 2005 by  
3 any school district on the State Board of Education's Financial  
4 Warning List for the purpose of financing a retrofit program to  
5 replace steam pipes.

6 "Aggregate extension" for all taxing districts to which  
7 this Law applies in accordance with paragraph (2) of subsection  
8 (e) of Section 18-213 means the annual corporate extension for  
9 the taxing district and those special purpose extensions that  
10 are made annually for the taxing district, excluding special  
11 purpose extensions: (a) made for the taxing district to pay  
12 interest or principal on general obligation bonds that were  
13 approved by referendum; (b) made for any taxing district to pay  
14 interest or principal on general obligation bonds issued before  
15 the effective date of this amendatory Act of 1997; (c) made for  
16 any taxing district to pay interest or principal on bonds  
17 issued to refund or continue to refund those bonds issued  
18 before the effective date of this amendatory Act of 1997; (d)  
19 made for any taxing district to pay interest or principal on  
20 bonds issued to refund or continue to refund bonds issued after  
21 the effective date of this amendatory Act of 1997 if the bonds  
22 were approved by referendum after the effective date of this  
23 amendatory Act of 1997; (e) made for any taxing district to pay  
24 interest or principal on revenue bonds issued before the  
25 effective date of this amendatory Act of 1997 for payment of  
26 which a property tax levy or the full faith and credit of the  
27 unit of local government is pledged; however, a tax for the  
28 payment of interest or principal on those bonds shall be made  
29 only after the governing body of the unit of local government  
30 finds that all other sources for payment are insufficient to  
31 make those payments; (f) made for payments under a building  
32 commission lease when the lease payments are for the retirement  
33 of bonds issued by the commission before the effective date of  
34 this amendatory Act of 1997 to pay for the building project;

1 (g) made for payments due under installment contracts entered  
2 into before the effective date of this amendatory Act of 1997;  
3 (h) made for payments of principal and interest on limited  
4 bonds, as defined in Section 3 of the Local Government Debt  
5 Reform Act, in an amount not to exceed the debt service  
6 extension base less the amount in items (b), (c), and (e) of  
7 this definition for non-referendum obligations, except  
8 obligations initially issued pursuant to referendum; (i) made  
9 for payments of principal and interest on bonds issued under  
10 Section 15 of the Local Government Debt Reform Act; (j) made  
11 for a qualified airport authority to pay interest or principal  
12 on general obligation bonds issued for the purpose of paying  
13 obligations due under, or financing airport facilities  
14 required to be acquired, constructed, installed or equipped  
15 pursuant to, contracts entered into before March 1, 1996 (but  
16 not including any amendments to such a contract taking effect  
17 on or after that date); and (k) made to fund expenses of  
18 providing joint recreational programs for the handicapped  
19 under Section 5-8 of the Park District Code or Section 11-95-14  
20 of the Illinois Municipal Code.

21 "Debt service extension base" means an amount equal to that  
22 portion of the extension for a taxing district for the 1994  
23 levy year, or for those taxing districts subject to this Law in  
24 accordance with Section 18-213, except for those subject to  
25 paragraph (2) of subsection (e) of Section 18-213, for the levy  
26 year in which the referendum making this Law applicable to the  
27 taxing district is held, or for those taxing districts subject  
28 to this Law in accordance with paragraph (2) of subsection (e)  
29 of Section 18-213 for the 1996 levy year, constituting an  
30 extension for payment of principal and interest on bonds issued  
31 by the taxing district without referendum, but not including  
32 excluded non-referendum bonds. For park districts (i) that were  
33 first subject to this Law in 1991 or 1995 and (ii) whose  
34 extension for the 1994 levy year for the payment of principal



1 and interest on bonds issued by the park district without  
2 referendum (but not including excluded non-referendum bonds)  
3 was less than 51% of the amount for the 1991 levy year  
4 constituting an extension for payment of principal and interest  
5 on bonds issued by the park district without referendum (but  
6 not including excluded non-referendum bonds), "debt service  
7 extension base" means an amount equal to that portion of the  
8 extension for the 1991 levy year constituting an extension for  
9 payment of principal and interest on bonds issued by the park  
10 district without referendum (but not including excluded  
11 non-referendum bonds). The debt service extension base may be  
12 established or increased as provided under Section 18-212.  
13 "Excluded non-referendum bonds" means (i) bonds authorized by  
14 Public Act 88-503 and issued under Section 20a of the Chicago  
15 Park District Act for aquarium and museum projects; (ii) bonds  
16 issued under Section 15 of the Local Government Debt Reform  
17 Act; or (iii) refunding obligations issued to refund or to  
18 continue to refund obligations initially issued pursuant to  
19 referendum.

20 "Special purpose extensions" include, but are not limited  
21 to, extensions for levies made on an annual basis for  
22 unemployment and workers' compensation, self-insurance,  
23 contributions to pension plans, and extensions made pursuant to  
24 Section 6-601 of the Illinois Highway Code for a road  
25 district's permanent road fund whether levied annually or not.  
26 The extension for a special service area is not included in the  
27 aggregate extension.

28 "Aggregate extension base" means the taxing district's  
29 last preceding aggregate extension as adjusted under Sections  
30 18-215 through 18-230.

31 "Levy year" has the same meaning as "year" under Section  
32 1-155.

33 "New property" means (i) the assessed value, after final  
34 board of review or board of appeals action, of new improvements

1 or additions to existing improvements on any parcel of real  
2 property that increase the assessed value of that real property  
3 during the levy year multiplied by the equalization factor  
4 issued by the Department under Section 17-30, (ii) the assessed  
5 value, after final board of review or board of appeals action,  
6 of real property not exempt from real estate taxation, which  
7 real property was exempt from real estate taxation for any  
8 portion of the immediately preceding levy year, multiplied by  
9 the equalization factor issued by the Department under Section  
10 17-30, and (iii) in counties that classify in accordance with  
11 Section 4 of Article IX of the Illinois Constitution, an  
12 incentive property's additional assessed value resulting from  
13 a scheduled increase in the level of assessment as applied to  
14 the first year final board of review market value. In addition,  
15 the county clerk in a county containing a population of  
16 3,000,000 or more shall include in the 1997 recovered tax  
17 increment value for any school district, any recovered tax  
18 increment value that was applicable to the 1995 tax year  
19 calculations.

20 "Qualified airport authority" means an airport authority  
21 organized under the Airport Authorities Act and located in a  
22 county bordering on the State of Wisconsin and having a  
23 population in excess of 200,000 and not greater than 500,000.

24 "Recovered tax increment value" means, except as otherwise  
25 provided in this paragraph, the amount of the current year's  
26 equalized assessed value, in the first year after a  
27 municipality terminates the designation of an area as a  
28 redevelopment project area previously established under the  
29 Tax Increment Allocation Development Act in the Illinois  
30 Municipal Code, previously established under the Industrial  
31 Jobs Recovery Law in the Illinois Municipal Code, or previously  
32 established under the Economic Development Area Tax Increment  
33 Allocation Act, of each taxable lot, block, tract, or parcel of  
34 real property in the redevelopment project area over and above

1 the initial equalized assessed value of each property in the  
2 redevelopment project area. For the taxes which are extended  
3 for the 1997 levy year, the recovered tax increment value for a  
4 non-home rule taxing district that first became subject to this  
5 Law for the 1995 levy year because a majority of its 1994  
6 equalized assessed value was in an affected county or counties  
7 shall be increased if a municipality terminated the designation  
8 of an area in 1993 as a redevelopment project area previously  
9 established under the Tax Increment Allocation Development Act  
10 in the Illinois Municipal Code, previously established under  
11 the Industrial Jobs Recovery Law in the Illinois Municipal  
12 Code, or previously established under the Economic Development  
13 Area Tax Increment Allocation Act, by an amount equal to the  
14 1994 equalized assessed value of each taxable lot, block,  
15 tract, or parcel of real property in the redevelopment project  
16 area over and above the initial equalized assessed value of  
17 each property in the redevelopment project area. In the first  
18 year after a municipality removes a taxable lot, block, tract,  
19 or parcel of real property from a redevelopment project area  
20 established under the Tax Increment Allocation Development Act  
21 in the Illinois Municipal Code, the Industrial Jobs Recovery  
22 Law in the Illinois Municipal Code, or the Economic Development  
23 Area Tax Increment Allocation Act, "recovered tax increment  
24 value" means the amount of the current year's equalized  
25 assessed value of each taxable lot, block, tract, or parcel of  
26 real property removed from the redevelopment project area over  
27 and above the initial equalized assessed value of that real  
28 property before removal from the redevelopment project area.

29 Except as otherwise provided in this Section, "limiting  
30 rate" means a fraction the numerator of which is the last  
31 preceding aggregate extension base times an amount equal to one  
32 plus the extension limitation defined in this Section and the  
33 denominator of which is the current year's equalized assessed  
34 value of all real property in the territory under the

1 jurisdiction of the taxing district during the prior levy year.  
2 For those taxing districts that reduced their aggregate  
3 extension for the last preceding levy year, the highest  
4 aggregate extension in any of the last 3 preceding levy years  
5 shall be used for the purpose of computing the limiting rate.  
6 The denominator shall not include new property. The denominator  
7 shall not include the recovered tax increment value.

8 (Source: P.A. 92-547, eff. 6-13-02; 93-601, eff. 1-1-04;  
9 93-606, eff. 11-18-03; 93-612, eff. 11-18-03; revised  
10 12-10-03.)".