



Sen. Don Harmon

**Filed: 3/23/2006**

09400HB4789sam001

LRB094 18913 BDD 57550 a

1 AMENDMENT TO HOUSE BILL 4789

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 4789 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Property Tax Code is amended by changing  
5 Section 15-172 as follows:

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 ~~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

1 equitable interest in the property as evidenced by a written  
2 instrument or (ii) had a legal or equitable interest as a  
3 lessee in the parcel of property that was single family  
4 residence. If in any subsequent taxable year for which the  
5 applicant applies and qualifies for the exemption the equalized  
6 assessed value of the residence is less than the equalized  
7 assessed value in the existing base year (provided that such  
8 equalized assessed value is not based on an assessed value that  
9 results from a temporary irregularity in the property that  
10 reduces the assessed value for one or more taxable years), then  
11 that subsequent taxable year shall become the base year until a  
12 new base year is established under the terms of this paragraph.  
13 For taxable year 1999 only, the Chief County Assessment Officer  
14 shall review (i) all taxable years for which the applicant  
15 applied and qualified for the exemption and (ii) the existing  
16 base year. The assessment officer shall select as the new base  
17 year the year with the lowest equalized assessed value. An  
18 equalized assessed value that is based on an assessed value  
19 that results from a temporary irregularity in the property that  
20 reduces the assessed value for one or more taxable years shall  
21 not be considered the lowest equalized assessed value. The  
22 selected year shall be the base year for taxable year 1999 and  
23 thereafter until a new base year is established under the terms  
24 of this paragraph.

25 "Chief County Assessment Officer" means the County  
26 Assessor or Supervisor of Assessments of the county in which  
27 the property is located.

28 "Equalized assessed value" means the assessed value as  
29 equalized by the Illinois Department of Revenue.

30 "Household" means the applicant, the spouse of the  
31 applicant, and all persons using the residence of the applicant  
32 as their principal place of residence.

33 "Household income" means the combined income of the members  
34 of a household for the calendar year preceding the taxable

1 year.

2 "Income" has the same meaning as provided in Section 3.07  
3 of the Senior Citizens and Disabled Persons Property Tax Relief  
4 and Pharmaceutical Assistance Act, except that, beginning in  
5 assessment year 2001, "income" does not include veteran's  
6 benefits.

7 "Internal Revenue Code of 1986" means the United States  
8 Internal Revenue Code of 1986 or any successor law or laws  
9 relating to federal income taxes in effect for the year  
10 preceding the taxable year.

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

14 "Residence" means the principal dwelling place and  
15 appurtenant structures used for residential purposes in this  
16 State occupied on January 1 of the taxable year by a household  
17 and so much of the surrounding land, constituting the parcel  
18 upon which the dwelling place is situated, as is used for  
19 residential purposes. If the Chief County Assessment Officer  
20 has established a specific legal description for a portion of  
21 property constituting the residence, then that portion of  
22 property shall be deemed the residence for the purposes of this  
23 Section.

24 "Taxable year" means the calendar year during which ad  
25 valorem property taxes payable in the next succeeding year are  
26 levied.

27 (c) Beginning in taxable year 1994, a senior citizens  
28 assessment freeze homestead exemption is granted for real  
29 property that is improved with a permanent structure that is  
30 occupied as a residence by an applicant who (i) is 65 years of  
31 age or older during the taxable year, (ii) has a household  
32 income of \$35,000 or less prior to taxable year 1999, \$40,000  
33 or less in taxable years 1999 through 2003, and \$45,000 or less  
34 in taxable year 2004 and thereafter, (iii) is liable for paying

1 real property taxes on the property, and (iv) is an owner of  
2 record of the property or has a legal or equitable interest in  
3 the property as evidenced by a written instrument. This  
4 homestead exemption shall also apply to a leasehold interest in  
5 a parcel of property improved with a permanent structure that  
6 is a single family residence that is occupied as a residence by  
7 a person who (i) is 65 years of age or older during the taxable  
8 year, (ii) has a household income of \$35,000 or less prior to  
9 taxable year 1999, \$40,000 or less in taxable years 1999  
10 through 2003, and \$45,000 or less in taxable year 2004 and  
11 thereafter, (iii) has a legal or equitable ownership interest  
12 in the property as lessee, and (iv) is liable for the payment  
13 of real property taxes on that property.

14 The amount of this exemption shall be the equalized  
15 assessed value of the residence in the taxable year for which  
16 application is made minus the base amount.

17 When the applicant is a surviving spouse of an applicant  
18 for a prior year for the same residence for which an exemption  
19 under this Section has been granted, the base year and base  
20 amount for that residence are the same as for the applicant for  
21 the prior year.

22 Each year at the time the assessment books are certified to  
23 the County Clerk, the Board of Review or Board of Appeals shall  
24 give to the County Clerk a list of the assessed values of  
25 improvements on each parcel qualifying for this exemption that  
26 were added after the base year for this parcel and that  
27 increased the assessed value of the property.

28 In the case of land improved with an apartment building  
29 owned and operated as a cooperative or a building that is a  
30 life care facility that qualifies as a cooperative, the maximum  
31 reduction from the equalized assessed value of the property is  
32 limited to the sum of the reductions calculated for each unit  
33 occupied as a residence by a person or persons (i) 65 years of  
34 age or older, (ii) with a household income of \$35,000 or less

1 prior to taxable year 1999, \$40,000 or less in taxable years  
2 1999 through 2003, and \$45,000 or less in taxable year 2004 and  
3 thereafter, (iii) who is liable, by contract with the owner or  
4 owners of record, for paying real property taxes on the  
5 property, and (iv) who is an owner of record of a legal or  
6 equitable interest in the cooperative apartment building,  
7 other than a leasehold interest. In the instance of a  
8 cooperative where a homestead exemption has been granted under  
9 this Section, the cooperative association or its management  
10 firm shall credit the savings resulting from that exemption  
11 only to the apportioned tax liability of the owner who  
12 qualified for the exemption. Any person who willfully refuses  
13 to credit that savings to an owner who qualifies for the  
14 exemption is guilty of a Class B misdemeanor.

15 When a homestead exemption has been granted under this  
16 Section and an applicant then becomes a resident of a facility  
17 licensed under the Nursing Home Care Act, the exemption shall  
18 be granted in subsequent years so long as the residence (i)  
19 continues to be occupied by the qualified applicant's spouse or  
20 (ii) if remaining unoccupied, is still owned by the qualified  
21 applicant for the homestead exemption.

22 Beginning January 1, 1997, when an individual dies who  
23 would have qualified for an exemption under this Section, and  
24 the surviving spouse does not independently qualify for this  
25 exemption because of age, the exemption under this Section  
26 shall be granted to the surviving spouse for the taxable year  
27 preceding and the taxable year of the death, provided that,  
28 except for age, the surviving spouse meets all other  
29 qualifications for the granting of this exemption for those  
30 years.

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

34 For taxable year 1994 only, in counties having less than

1 3,000,000 inhabitants, to receive the exemption, a person shall  
2 submit an application by February 15, 1995 to the Chief County  
3 Assessment Officer of the county in which the property is  
4 located. In counties having 3,000,000 or more inhabitants, for  
5 taxable year 1994 and all subsequent taxable years, to receive  
6 the exemption, a person may submit an application to the Chief  
7 County Assessment Officer of the county in which the property  
8 is located during such period as may be specified by the Chief  
9 County Assessment Officer. The Chief County Assessment Officer  
10 in counties of 3,000,000 or more inhabitants shall annually  
11 give notice of the application period by mail or by  
12 publication. In counties having less than 3,000,000  
13 inhabitants, beginning with taxable year 1995 and thereafter,  
14 to receive the exemption, a person shall submit an application  
15 by July 1 of each taxable year to the Chief County Assessment  
16 Officer of the county in which the property is located. A  
17 county may, by ordinance, establish a date for submission of  
18 applications that is different than July 1. The applicant shall  
19 submit with the application an affidavit of the applicant's  
20 total household income, age, marital status (and if married the  
21 name and address of the applicant's spouse, if known), and  
22 principal dwelling place of members of the household on January  
23 1 of the taxable year. The Department shall establish, by rule,  
24 a method for verifying the accuracy of affidavits filed by  
25 applicants under this Section. The applications shall be  
26 clearly marked as applications for the Senior Citizens  
27 Assessment Freeze Homestead Exemption.

28 Notwithstanding any other provision to the contrary, in  
29 counties having fewer than 3,000,000 inhabitants, if an  
30 applicant fails to file the application required by this  
31 Section in a timely manner and this failure to file is due to a  
32 mental or physical condition sufficiently severe so as to  
33 render the applicant incapable of filing the application in a  
34 timely manner, the Chief County Assessment Officer may extend

1 the filing deadline for a period of 30 days after the applicant  
2 regains the capability to file the application, but in no case  
3 may the filing deadline be extended beyond 3 months of the  
4 original filing deadline. In order to receive the extension  
5 provided in this paragraph, the applicant shall provide the  
6 Chief County Assessment Officer with a signed statement from  
7 the applicant's physician stating the nature and extent of the  
8 condition, that, in the physician's opinion, the condition was  
9 so severe that it rendered the applicant incapable of filing  
10 the application in a timely manner, and the date on which the  
11 applicant regained the capability to file the application.

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

27 In counties having less than 3,000,000 inhabitants, if an  
28 applicant was denied an exemption in taxable year 1994 and the  
29 denial occurred due to an error on the part of an assessment  
30 official, or his or her agent or employee, then beginning in  
31 taxable year 1997 the applicant's base year, for purposes of  
32 determining the amount of the exemption, shall be 1993 rather  
33 than 1994. In addition, in taxable year 1997, the applicant's  
34 exemption shall also include an amount equal to (i) the amount

1 of any exemption denied to the applicant in taxable year 1995  
2 as a result of using 1994, rather than 1993, as the base year,  
3 (ii) the amount of any exemption denied to the applicant in  
4 taxable year 1996 as a result of using 1994, rather than 1993,  
5 as the base year, and (iii) the amount of the exemption  
6 erroneously denied for taxable year 1994.

7 For purposes of this Section, a person who will be 65 years  
8 of age during the current taxable year shall be eligible to  
9 apply for the homestead exemption during that taxable year.  
10 Application shall be made during the application period in  
11 effect for the county of his or her residence.

12 The Chief County Assessment Officer may determine the  
13 eligibility of a life care facility that qualifies as a  
14 cooperative to receive the benefits provided by this Section by  
15 use of an affidavit, application, visual inspection,  
16 questionnaire, or other reasonable method in order to insure  
17 that the tax savings resulting from the exemption are credited  
18 by the management firm to the apportioned tax liability of each  
19 qualifying resident. The Chief County Assessment Officer may  
20 request reasonable proof that the management firm has so  
21 credited that exemption.

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

33 Nothing contained in this Section shall prevent the  
34 Director or chief county assessment officer from publishing or



1 making available reasonable statistics concerning the  
2 operation of the exemption contained in this Section in which  
3 the contents of claims are grouped into aggregates in such a  
4 way that information contained in any individual claim shall  
5 not be disclosed.

6 (d) Each Chief County Assessment Officer shall annually  
7 publish a notice of availability of the exemption provided  
8 under this Section. The notice shall be published at least 60  
9 days but no more than 75 days prior to the date on which the  
10 application must be submitted to the Chief County Assessment  
11 Officer of the county in which the property is located. The  
12 notice shall appear in a newspaper of general circulation in  
13 the county.

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

17 (Source: P.A. 93-715, eff. 7-12-04.)".