

1 the changes and revision in the assessment books, an affidavit
2 shall be attached to the assessment books in the form required
3 by law, signed by the county assessor.

4 (b) In counties with 3,000,000 or more inhabitants, for
5 parcels, other than parcels in the class that includes the
6 majority of the single-family residential parcels under a
7 county ordinance adopted in accordance with Section 4 of
8 Article IX of the Illinois Constitution, located in the
9 assessment district for which the current assessment year is a
10 general assessment year, within 30 days after sending the
11 required notices under this Section, the county assessor shall
12 file with the board of appeals (until the first Monday in
13 December 1998, and the board of review beginning the first
14 Monday in December 1998 and thereafter) a list of the parcels
15 for which the notices under this Section were sent, showing the
16 following information for each such parcel: the parcel index
17 number, the township in which the parcel is located, the class
18 for the current year, the previous year's final total assessed
19 value, the total assessed value proposed by the county
20 assessor, and the name of the person to whom the notice
21 required under this Section was sent. The list shall be
22 available for public inspection at the office of the board
23 during the regular office hours of the board. The list shall be
24 retained by the board for at least 10 years after the date it
25 is initially filed by the county assessor.

26 (c) The provisions of subsection (b) of this Section shall
27 be applicable beginning with the assessment for the 1997 tax
28 year.

29 (d) On and after the effective date of this amendatory Act
30 of the 94th General Assembly and so long as any portion of the
31 county is subject to the provisions of Section 15-176 instead
32 of Section 15-175, the notice required under this Section must
33 include the following statement:

34 Beginning in 2003, the Cook County Board imposed a 7%

1 cap on annual increases in property tax assessments for
2 certain owner-occupied residences. This assessment cap
3 takes the form of an expanded homestead exemption. It is
4 designed to reduce the burden of large property tax
5 increases caused by rapid appreciation in home prices.

6 The assessment cap shifts the property tax burden. Some
7 homeowners pay less, but all other taxpayers pay more. This
8 is because a reduction in the assessed value of some
9 properties causes the tax rate to increase for all
10 properties in order for the taxing district to collect the
11 same total amount in taxes.

12 The taxpayers who pay more are owners of rental
13 housing, commercial property, industrial property, and
14 vacant land. The higher rate also causes some senior
15 citizen homeowners to pay more because, though technically
16 eligible for the 7% assessment cap, they already qualify
17 for the more advantageous "senior freeze" on assessments.
18 Similarly, homeowners whose property value appreciates
19 less than 7% annually will also pay more in taxes than if
20 the assessment cap were not in effect.

21 In general, the assessment cap shifts the tax burden
22 from fast-growing to slow-growing residential areas and
23 from homeowners to businesses. The magnitude of the shift
24 will depend on how rapidly home prices appreciate over
25 time.

26 Property tax bills for homestead property will
27 indicate whether the property taxes are more, less, or the
28 same as a result of the county's election to implement an
29 assessment cap.

30 (Source: P.A. 90-4, eff. 3-7-97; 91-751, eff. 6-2-00.)

31 (35 ILCS 200/15-176)

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

33 (a) For the assessment years as determined under subsection

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

7 (b) As used in this Section:

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

10 (2) "Adjusted homestead value" means the lesser of the
11 following values:

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

21 (B) The property's equalized assessed value for
22 the current tax year minus (i) \$4,500 in Cook County or
23 \$3,500 in all other counties in tax year 2003 or (ii)
24 \$5,000 in all counties in tax year 2004 and thereafter.

25 (3) "Base homestead value".

26 (A) Except as provided in subdivision (b)(3)(B),
27 "base homestead value" means the equalized assessed
28 value of the property for the base year prior to
29 exemptions, minus (i) \$4,500 in Cook County or \$3,500
30 in all other counties in tax year 2003 or (ii) \$5,000
31 in all counties in tax year 2004 and thereafter,
32 provided that it was assessed for that year as
33 residential property qualified for any of the
34 homestead exemptions under Sections 15-170 through

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

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

25 (3.5) "Base year" means (i) tax year 2002 in Cook
26 County or (ii) tax year 2004 or 2005 ~~2002 or 2003~~ in all
27 other counties in accordance with the designation made by
28 the county as provided in subsection (k).

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

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

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

34 (A) Residential property that as of January 1 of

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

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

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

26 (c) If the property did not have a residential equalized
27 assessed value for the base year as provided in subdivision
28 (b) (3) (A) of this Section, then the assessor shall first
29 determine an initial value for the property by comparison with
30 assessed values for the base year of other properties having
31 physical and economic characteristics similar to those of the
32 subject property, so that the initial value is uniform in
33 relation to assessed values of those other properties for the
34 base year. The product of the initial value multiplied by the

1 equalized factor for the base year for homestead properties in
2 that county, less (i) \$4,500 in Cook County or \$3,500 in all
3 other counties in tax year 2003 or (ii) \$5,000 in all counties
4 in tax year 2004 and thereafter, is the base homestead value.

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

10 (d) The base homestead value shall remain constant, except
11 that the assessor may revise it under the following
12 circumstances:

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

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

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

31 (e) The amount of the exemption under this Section is the
32 equalized assessed value of the homestead property for the
33 current tax year, minus the adjusted homestead value, with the
34 following exceptions:

1 (1) The exemption under this Section shall not exceed
2 \$20,000 for any taxable year.

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

9 (e-5) For each assessment year in which the alternative
10 general homestead exemption under this Section applies to any
11 portion of the county, the county clerk, with the assistance of
12 the assessor, must determine whether the taxes on each
13 homestead property are more, less, or the same as a result of
14 the county having elected to be subject to the provisions of
15 this Section rather than the general homestead exemption under
16 Section 15-175. The determination of whether the taxes are
17 more, less, or the same must be made without regard to any
18 other factor. In making the determination, the actual taxes on
19 the property shall be compared to what the taxes would have
20 been had the county not elected to be subject to the provisions
21 of this Section. In calculating what the taxes would have been
22 had the county not elected to be subject to the provisions of
23 this Section, the county clerk shall use the equalized assessed
24 value of the homestead property and the combined tax rate of
25 all taxing districts, both computed based on the assumption
26 that the general homestead exemption under Section 15-175 was
27 in effect throughout the county during all years when this
28 Section applied to any portion of the county.

29 The county clerk must provide the results of these
30 calculations for each homestead property to the official in the
31 county who is responsible for preparing and mailing the
32 property tax bills so that the official can include on or with
33 the bills the notifications required under subsection (b) of
34 Section 20-5. For the purpose of this subsection, "homestead

1 property" has the definition set forth under Section 15-175.

2 (f) In the case of an apartment building owned and operated
3 as a cooperative, or as a life care facility, that contains
4 residential units that qualify as homestead property under this
5 Section, the maximum cumulative exemption amount attributed to
6 the entire building or facility shall not exceed the sum of the
7 exemptions calculated for each qualified residential unit. The
8 cooperative association, management firm, or other person or
9 entity that manages or controls the cooperative apartment
10 building or life care facility shall credit the exemption
11 attributable to each residential unit only to the apportioned
12 tax liability of the owner or other person responsible for
13 payment of taxes as to that unit. Any person who willfully
14 refuses to so credit the exemption is guilty of a Class B
15 misdemeanor.

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

19 (h) In the event of a sale or other transfer in ownership
20 of the homestead property, the exemption under this Section
21 shall remain in effect for the remainder of the tax year in
22 which the sale or transfer occurs, but (other than for sales or
23 transfers between spouses or between a parent and a child)
24 shall be calculated using the new base homestead value as
25 provided in subdivision (b) (3) (B). The assessor may require the
26 new owner of the property to apply for the exemption in the
27 following year.

28 (i) The assessor may determine whether property qualifies
29 as a homestead under this Section by application, visual
30 inspection, questionnaire, or other reasonable methods. Each
31 year, at the time the assessment books are certified to the
32 county clerk by the board of review, the assessor shall furnish
33 to the county clerk a list of the properties qualified for the
34 homestead exemption under this Section. The list shall note the

1 base homestead value of each property to be used in the
2 calculation of the exemption for the current tax year.

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

5 (1) If the general assessment year for the property is
6 2003, this Section applies for assessment years 2003, 2004,
7 and 2005. Thereafter, the provisions of Section 15-175
8 apply.

9 (2) If the general assessment year for the property is
10 2004, this Section applies for assessment years 2004, 2005,
11 and 2006. Thereafter, the provisions of Section 15-175
12 apply.

13 (3) If the general assessment year for the property is
14 2005, this Section applies for assessment years 2005, 2006,
15 and 2007. Thereafter, the provisions of Section 15-175
16 apply.

17 (4) If the general assessment year for the property is
18 2006 and only if the county elects, by ordinance, to extend
19 the application of this Section under subsection (k-5),
20 then this Section continues to apply for assessment years
21 2006, 2007, and 2008. Thereafter, the provisions of Section
22 15-175 apply.

23 (5) If the general assessment year for the property is
24 2007 and only if the county elects, by ordinance, to extend
25 the application of this Section under subsection (k-5),
26 then this Section continues to apply for assessment years
27 2007, 2008, and 2009. Thereafter, the provisions of Section
28 15-175 apply.

29 (6) If the general assessment year for the property is
30 2008 and only if the county elects, by ordinance, to extend
31 the application of this Section under subsection (k-5),
32 then this Section continues to apply for assessment years
33 2008, 2009, and 2010. Thereafter, the provisions of Section
34 15-175 apply.

1 In counties with less than 3,000,000 inhabitants, this
2 Section applies for assessment years (i) 2005, 2006, and 2007
3 if tax year 2004 ~~2003, 2004, and 2005~~ if 2002 is the designated
4 base year or (ii) 2006, 2007, and 2008 if tax year 2005 ~~2004,~~
5 ~~2005, and 2006~~ if 2003 is the designated base year. Thereafter,
6 the provisions of Section 15-175 apply.

7 (k) To be subject to the provisions of this Section in lieu
8 of Section 15-175, a county must adopt an ordinance to subject
9 itself to the provisions of this Section within (i) 6 months
10 after the effective date of this amendatory Act of the 93rd
11 General Assembly for Cook County, except as provided in
12 subsection (k-5), or (ii) within 6 months after the effective
13 date of this amendatory Act of the 94th General Assembly for
14 all other counties. In a county other than Cook County, the
15 ordinance must designate either tax year 2004 ~~2002~~ or tax year
16 2005 ~~2003~~ as the base year.

17 (k-5) Cook County may elect, by ordinance, to extend the
18 application of this Section for the assessment years set forth
19 under items (4), (5), and (6) of subsection (j). The ordinance
20 must be adopted within 6 months after the effective date of
21 this amendatory Act of the 94th General Assembly.

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

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

26 (35 ILCS 200/20-5)

27 Sec. 20-5. Mailing tax bill to owner.

28 (a) Every township collector, and every county collector in
29 cases where there is no township collector, upon receiving the
30 tax book or books, shall prepare tax bills showing each
31 installment of property taxes assessed, which shall be filled
32 out in accordance with Section 20-40. A copy of the bill shall
33 be mailed by the collector, at least 30 days prior to the date

1 upon which unpaid taxes become delinquent, to the owner of the
2 property taxed or to the person in whose name the property is
3 taxed.

4 (b) In each county in which the county clerk is required to
5 make the determinations under subsection (e-5) of Section
6 15-176, the the tax bill for each homestead property must
7 include, on or with the bill, a notification to the taxpayer as
8 to whether the taxes on the property are more, less, or the
9 same as a result of the county's election to be subject to the
10 alternative general homestead exemption under Section 15-176
11 rather than the general homestead exemption under Section
12 15-175. The notification must be based on the determinations
13 made under subsection (e-5) of Section 15-176. The notification
14 must be clearly visible and must be in substantially the
15 following form:

16 "The taxes on this property are (more/less/the same) as
17 a result of the county's election to be subject to the
18 alternative general homestead exemption under Section
19 15-176 of the Property Tax Code, sometimes known as the "7%
20 solution" or "assessment cap"."

21 For the purpose of this subsection, "homestead property"
22 has the definition set forth under Section 15-175.

23 (c) On and after the effective date of this amendatory Act
24 of the 94th General Assembly and so long as any portion of the
25 county is subject to the provisions of Section 15-176 instead
26 of Section 15-175, the following statement must be included
27 with each tax bill:

28 Beginning in 2003, the Cook County Board imposed a 7%
29 cap on annual increases in property tax assessments for
30 certain owner-occupied residences. This assessment cap
31 takes the form of an expanded homestead exemption. It is
32 designed to reduce the burden of large property tax
33 increases caused by rapid appreciation in home prices.

34 The assessment cap shifts the property tax burden. Some

1 homeowners pay less, but all other taxpayers pay more. This
2 is because a reduction in the assessed value of some
3 properties causes the tax rate to increase for all
4 properties in order for the taxing district to collect the
5 same total amount in taxes.

6 The taxpayers who pay more are owners of rental
7 housing, commercial property, industrial property, and
8 vacant land. The higher rate also causes some senior
9 citizen homeowners to pay more because, though technically
10 eligible for the 7% assessment cap, they already qualify
11 for the more advantageous "senior freeze" on assessments.
12 Similarly, homeowners whose property value appreciates
13 less than 7% annually will also pay more in taxes than if
14 the assessment cap were not in effect.

15 In general, the assessment cap shifts the tax burden
16 from fast-growing to slow-growing residential areas and
17 from homeowners to businesses. The magnitude of the shift
18 will depend on how rapidly home prices appreciate over
19 time.

20 Property tax bills for homestead property will
21 indicate whether the property taxes are more, less, or the
22 same as a result of the county's election to implement an
23 assessment cap.

24 (Source: P.A. 86-957; 87-818; 88-455.)

25 Section 90. The State Mandates Act is amended by adding
26 Section 8.30 as follows:

27 (30 ILCS 805/8.30 new)

28 Sec. 8.30. Exempt mandate. Notwithstanding Sections 6 and 8
29 of this Act, no reimbursement by the State is required for the
30 implementation of any mandate created by this amendatory Act of
31 the 94th General Assembly.

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.".