



Rep. Barbara Flynn Currie

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09600SB1825ham004

LRB096 09385 HLH 27814 a

1 AMENDMENT TO SENATE BILL 1825

2 AMENDMENT NO. _____. Amend Senate Bill 1825, AS AMENDED,
3 with reference to page and line numbers of House Amendment No.
4 3, on page 3, immediately below line 17, by inserting the
5 following:

6 "Section 10. If and only if Senate Bill 1739 of the 96th
7 General Assembly becomes law, then the Property Tax Code is
8 amended by changing Section 15-65 as follows:

9 (35 ILCS 200/15-65)

10 Sec. 15-65. Charitable purposes. All property of the
11 following is exempt when actually and exclusively used for
12 charitable or beneficent purposes, and not leased or otherwise
13 used with a view to profit:

14 (a) Institutions of public charity.

15 (b) Beneficent and charitable organizations
16 incorporated in any state of the United States, including

1 organizations whose owner, and no other person, uses the
2 property exclusively for the distribution, sale, or resale
3 of donated goods and related activities and uses all the
4 income from those activities to support the charitable,
5 religious or beneficent activities of the owner, whether or
6 not such activities occur on the property.

7 (c) Old people's homes, facilities for persons with a
8 developmental disability, and not-for-profit organizations
9 providing services or facilities related to the goals of
10 educational, social and physical development, if, upon
11 making application for the exemption, the applicant
12 provides affirmative evidence that the home or facility or
13 organization is an exempt organization under paragraph (3)
14 of Section 501(c) of the Internal Revenue Code or its
15 successor, and either: (i) the bylaws of the home or
16 facility or not-for-profit organization provide for a
17 waiver or reduction, based on an individual's ability to
18 pay, of any entrance fee, assignment of assets, or fee for
19 services, or (ii) the home or facility is qualified, built
20 or financed under Section 202 of the National Housing Act
21 of 1959, as amended.

22 An applicant that has been granted an exemption under
23 this subsection on the basis that its bylaws provide for a
24 waiver or reduction, based on an individual's ability to
25 pay, of any entrance fee, assignment of assets, or fee for
26 services may be periodically reviewed by the Department to

1 determine if the waiver or reduction was a past policy or
2 is a current policy. The Department may revoke the
3 exemption if it finds that the policy for waiver or
4 reduction is no longer current.

5 If a not-for-profit organization leases property that
6 is otherwise exempt under this subsection to an
7 organization that conducts an activity on the leased
8 premises that would entitle the lessee to an exemption from
9 real estate taxes if the lessee were the owner of the
10 property, then the leased property is exempt.

11 (d) Not-for-profit health maintenance organizations
12 certified by the Director of the Illinois Department of
13 Insurance under the Health Maintenance Organization Act,
14 including any health maintenance organization that
15 provides services to members at prepaid rates approved by
16 the Illinois Department of Insurance if the membership of
17 the organization is sufficiently large or of indefinite
18 classes so that the community is benefited by its
19 operation. No exemption shall apply to any hospital or
20 health maintenance organization which has been adjudicated
21 by a court of competent jurisdiction to have denied
22 admission to any person because of race, color, creed, sex
23 or national origin.

24 (e) All free public libraries.

25 (f) Historical societies.

26 Property otherwise qualifying for an exemption under this

1 Section shall not lose its exemption because the legal title is
2 held (i) by an entity that is organized solely to hold that
3 title and that qualifies under paragraph (2) of Section 501(c)
4 of the Internal Revenue Code or its successor, whether or not
5 that entity receives rent from the charitable organization for
6 the repair and maintenance of the property, (ii) by an entity
7 that is organized as a partnership or, beginning with the 2009
8 assessment year, a limited liability company, in which the
9 charitable organization, or an affiliate or subsidiary of the
10 charitable organization, is a general partner of the
11 partnership or managing member of the limited liability
12 company, for the purposes of owning and operating a residential
13 rental property that has received an allocation of Low Income
14 Housing Tax Credits for 100% of the dwelling units under
15 Section 42 of the Internal Revenue Code of 1986, as amended, or
16 (iii) for any assessment year including and subsequent to
17 January 1, 1996 for which an application for exemption has been
18 filed and a decision on which has not become final and
19 nonappealable, by a limited liability company organized under
20 the Limited Liability Company Act provided that (A) the limited
21 liability company's sole member or members, as that term is
22 used in Section 1-5 of the Limited Liability Company Act, are
23 the institutions of public charity that actually and
24 exclusively use the property for charitable and beneficent
25 purposes; (B) the limited liability company is a disregarded
26 entity for federal and Illinois income tax purposes and, as a

1 result, the limited liability company is deemed exempt from
2 income tax liability by virtue of the Internal Revenue Code
3 Section 501(c)(3) status of its sole member or members; and (C)
4 the limited liability company does not lease the property or
5 otherwise use it with a view to profit.

6 (Source: P.A. 91-416, eff. 8-6-99; 92-382, eff. 8-16-01;
7 09600SB1739ham001.)".