97TH GENERAL ASSEMBLY
State of Illinois
2011 and 2012
HB0235

Introduced 01/25/11, by Rep. Tom Cross

SYNOPSIS AS INTRODUCED:

35 ILCS 200/10-30
35 ILCS 200/10-31

Amends the Property Tax Code. In provisions concerning the assessment
of subdivisions, provides that the subsequent sale or transfer of the
property by a party who acquired title pursuant to (i) a transfer as a
mortgage holder, (ii) a mortgage foreclosure proceeding, (iii) a consent
judgment, or (iv) a transfer in lieu of foreclosure, shall not disqualify
the property from being assessed based on the estimated price the property
would bring at a fair voluntary sale for use by the buyer for the same
purposes for which the property was used when last assessed prior to its
platting (or, until January 1, 2011, assessed based on the assessed value
assigned to the property when last assessed prior to its last transfer or
conveyance) unless (A) a habitable structure is completed on the lot, (B)
the lot is used for business, commercial, or residential purpose, or (C)
until the initial sale of any platted lot. Effective immediately.
AN ACT concerning revenue.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 5. The Property Tax Code is amended by changing Sections 10-30 and 10-31 as follows:

(35 ILCS 200/10-30)

Sec. 10-30. Subdivisions; counties of less than 3,000,000.

(a) In counties with less than 3,000,000 inhabitants, the platting and subdivision of property into separate lots and the development of the subdivided property with streets, sidewalks, curbs, gutters, sewer, water and utility lines shall not increase the assessed valuation of all or any part of the property, if:

(1) The property is platted and subdivided in accordance with the Plat Act;
(2) The platting occurs after January 1, 1978;
(3) At the time of platting the property is in excess of 5 acres; and
(4) At the time of platting the property is vacant or used as a farm as defined in Section 1-60.

(b) Except as provided in subsection (c) of this Section, the assessed valuation of property so platted and subdivided shall be determined each year based on the estimated price the
property would bring at a fair voluntary sale for use by the
buyer for the same purposes for which the property was used
when last assessed prior to its platting.

(c) Upon completion of a habitable structure on any lot of
subdivided property, or upon the use of any lot, either alone
or in conjunction with any contiguous property, for any
business, commercial or residential purpose, or upon the
initial sale of any platted lot, including a platted lot which
is vacant: (i) the provisions of subsection (b) of this Section
shall no longer apply in determining the assessed valuation of
the lot, (ii) each lot shall be assessed without regard to any
provision of this Section, and (iii) the assessed valuation of
the remaining property, when next determined, shall be reduced
proportionately to reflect the exclusion of the property that
no longer qualifies for valuation under this Section. Holding
or offering a platted lot for initial sale shall not constitute
a use of the lot for business, commercial or residential
purposes unless a habitable structure is situated on the lot or
unless the lot is otherwise used for a business, commercial or
residential purpose.

(c-5) Beginning January 1, 2011, and except as provided in
subsection (c), the subsequent sale or transfer of the property
by a party who acquired title pursuant to (i) a transfer as a
mortgage holder, as "mortgage" is defined in Section 15-1207 of
the Code of Civil Procedure, (ii) a mortgage foreclosure
proceeding, (iii) a consent judgment, or (iv) a transfer in
lieu of foreclosure, shall not disqualify the property from subsection (b) above. Subsection (b) of this Section shall apply to each undeveloped platted lot until a habitable structure is completed on the lot.

(d) This Section applies before the effective date of this amendatory Act of the 96th General Assembly and then applies again beginning January 1, 2012.

(Source: P.A. 95-135, eff. 1-1-08; 96-480, eff. 8-14-09.)

(35 ILCS 200/10-31)

Sec. 10-31. Subdivisions; counties of less than 3,000,000. (a) In counties with less than 3,000,000 inhabitants, the platting and subdivision of property into separate lots and the development of the subdivided property with streets, sidewalks, curbs, gutters, sewer, water and utility lines shall not increase the assessed valuation of all or any part of the property, if:

(1) The property is platted and subdivided in accordance with the Plat Act;

(2) The platting occurs after January 1, 1978;

(3) At the time of platting the property is in excess of 5 acres; and

(4) At the time of platting or replatting the property is vacant or used as a farm as defined in Section 1-60.

(b) Except as provided in subsection (c) of this Section, the assessed valuation of property so platted and subdivided
shall be determined based on the assessed value assigned to the property when last assessed prior to its last transfer or conveyance. An initial sale of any platted lot, including a lot that is vacant, or a transfer to a holder of a mortgage, as defined in Section 15-1207 of the Code of Civil Procedure, pursuant to a mortgage foreclosure proceeding, pursuant to a consent judgment, or pursuant to a transfer in lieu of foreclosure, does not disqualify that lot from the provisions of this subsection (b). The subsequent sale or transfer of the property by a party who acquired title pursuant to (i) a transfer as a mortgage holder, as "mortgage" is defined in Section 15-1207 of the Code of Civil Procedure, (ii) a mortgage foreclosure proceeding, (iii) a consent judgment, or (iv) a transfer in lieu of foreclosure, shall not disqualify the property from this subsection (b). This subsection (b) shall apply to each undeveloped platted lot until a habitable structure is completed on the lot.

(c) Upon completion of a habitable structure on any lot of subdivided property, or upon the use of any lot, either alone or in conjunction with any contiguous property, for any business, commercial or residential purpose: (i) the provisions of subsection (b) of this Section shall no longer apply in determining the assessed valuation of the lot, (ii) each lot shall be assessed without regard to any provision of this Section, and (iii) the assessed valuation of the remaining property, when next determined, shall be reduced
proportionately to reflect the exclusion of the property that
no longer qualifies for valuation under this Section. Holding
or offering a platted lot for initial sale shall not constitute
a use of the lot for business, commercial or residential
purposes unless a habitable structure is situated on the lot or
unless the lot is otherwise used for a business, commercial or
residential purpose. The replatting of a subdivision or portion
of a subdivision does not disqualify the replatted lots from
the provisions of subsection (b).

(d) This Section applies on and after the effective date of
this amendatory Act of the 96th General Assembly and through
December 31, 2011.

(Source: P.A. 96-480, eff. 8-14-09.)

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