



Sen. Don Harmon

Filed: 5/30/2012

09700HB5495sam004

LRB097 18371 KMW 70014 a

1 AMENDMENT TO HOUSE BILL 5495

2 AMENDMENT NO. _____. Amend House Bill 5495, AS AMENDED,
3 with reference to page and line numbers of Senate Amendment No.
4 2, on page 2, by replacing lines 6 through 7 with the
5 following:

6 "Section 10. The Property Tax Code is amended by changing
7 Sections 18-185 and 20-15 as follows:

8 (35 ILCS 200/18-185)

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

12 "Consumer Price Index" means the Consumer Price Index for
13 All Urban Consumers for all items published by the United
14 States Department of Labor.

15 "Extension limitation" means (a) the lesser of 5% or the
16 percentage increase in the Consumer Price Index during the

1 12-month calendar year preceding the levy year or (b) the rate
2 of increase approved by voters under Section 18-205.

3 "Affected county" means a county of 3,000,000 or more
4 inhabitants or a county contiguous to a county of 3,000,000 or
5 more inhabitants.

6 "Taxing district" has the same meaning provided in Section
7 1-150, except as otherwise provided in this Section. For the
8 1991 through 1994 levy years only, "taxing district" includes
9 only each non-home rule taxing district having the majority of
10 its 1990 equalized assessed value within any county or counties
11 contiguous to a county with 3,000,000 or more inhabitants.
12 Beginning with the 1995 levy year, "taxing district" includes
13 only each non-home rule taxing district subject to this Law
14 before the 1995 levy year and each non-home rule taxing
15 district not subject to this Law before the 1995 levy year
16 having the majority of its 1994 equalized assessed value in an
17 affected county or counties. Beginning with the levy year in
18 which this Law becomes applicable to a taxing district as
19 provided in Section 18-213, "taxing district" also includes
20 those taxing districts made subject to this Law as provided in
21 Section 18-213.

22 "Aggregate extension" for taxing districts to which this
23 Law applied before the 1995 levy year means the annual
24 corporate extension for the taxing district and those special
25 purpose extensions that are made annually for the taxing
26 district, excluding special purpose extensions: (a) made for

1 the taxing district to pay interest or principal on general
2 obligation bonds that were approved by referendum; (b) made for
3 any taxing district to pay interest or principal on general
4 obligation bonds issued before October 1, 1991; (c) made for
5 any taxing district to pay interest or principal on bonds
6 issued to refund or continue to refund those bonds issued
7 before October 1, 1991; (d) made for any taxing district to pay
8 interest or principal on bonds issued to refund or continue to
9 refund bonds issued after October 1, 1991 that were approved by
10 referendum; (e) made for any taxing district to pay interest or
11 principal on revenue bonds issued before October 1, 1991 for
12 payment of which a property tax levy or the full faith and
13 credit of the unit of local government is pledged; however, a
14 tax for the payment of interest or principal on those bonds
15 shall be made only after the governing body of the unit of
16 local government finds that all other sources for payment are
17 insufficient to make those payments; (f) made for payments
18 under a building commission lease when the lease payments are
19 for the retirement of bonds issued by the commission before
20 October 1, 1991, to pay for the building project; (g) made for
21 payments due under installment contracts entered into before
22 October 1, 1991; (h) made for payments of principal and
23 interest on bonds issued under the Metropolitan Water
24 Reclamation District Act to finance construction projects
25 initiated before October 1, 1991; (i) made for payments of
26 principal and interest on limited bonds, as defined in Section

1 3 of the Local Government Debt Reform Act, in an amount not to
2 exceed the debt service extension base less the amount in items
3 (b), (c), (e), and (h) of this definition for non-referendum
4 obligations, except obligations initially issued pursuant to
5 referendum; (j) made for payments of principal and interest on
6 bonds issued under Section 15 of the Local Government Debt
7 Reform Act; (k) made by a school district that participates in
8 the Special Education District of Lake County, created by
9 special education joint agreement under Section 10-22.31 of the
10 School Code, for payment of the school district's share of the
11 amounts required to be contributed by the Special Education
12 District of Lake County to the Illinois Municipal Retirement
13 Fund under Article 7 of the Illinois Pension Code; the amount
14 of any extension under this item (k) shall be certified by the
15 school district to the county clerk; (l) made to fund expenses
16 of providing joint recreational programs for the handicapped
17 under Section 5-8 of the Park District Code or Section 11-95-14
18 of the Illinois Municipal Code; (m) made for temporary
19 relocation loan repayment purposes pursuant to Sections 2-3.77
20 and 17-2.2d of the School Code; (n) made for payment of
21 principal and interest on any bonds issued under the authority
22 of Section 17-2.2d of the School Code; (o) made for
23 contributions to a firefighter's pension fund created under
24 Article 4 of the Illinois Pension Code, to the extent of the
25 amount certified under item (5) of Section 4-134 of the
26 Illinois Pension Code; and (p) made for road purposes in the

1 first year after a township assumes the rights, powers, duties,
2 assets, property, liabilities, obligations, and
3 responsibilities of a road district abolished under the
4 provisions of Section 6-133 of the Illinois Highway Code.

5 "Aggregate extension" for the taxing districts to which
6 this Law did not apply before the 1995 levy year (except taxing
7 districts subject to this Law in accordance with Section
8 18-213) means the annual corporate extension for the taxing
9 district and those special purpose extensions that are made
10 annually for the taxing district, excluding special purpose
11 extensions: (a) made for the taxing district to pay interest or
12 principal on general obligation bonds that were approved by
13 referendum; (b) made for any taxing district to pay interest or
14 principal on general obligation bonds issued before March 1,
15 1995; (c) made for any taxing district to pay interest or
16 principal on bonds issued to refund or continue to refund those
17 bonds issued before March 1, 1995; (d) made for any taxing
18 district to pay interest or principal on bonds issued to refund
19 or continue to refund bonds issued after March 1, 1995 that
20 were approved by referendum; (e) made for any taxing district
21 to pay interest or principal on revenue bonds issued before
22 March 1, 1995 for payment of which a property tax levy or the
23 full faith and credit of the unit of local government is
24 pledged; however, a tax for the payment of interest or
25 principal on those bonds shall be made only after the governing
26 body of the unit of local government finds that all other

1 sources for payment are insufficient to make those payments;
2 (f) made for payments under a building commission lease when
3 the lease payments are for the retirement of bonds issued by
4 the commission before March 1, 1995 to pay for the building
5 project; (g) made for payments due under installment contracts
6 entered into before March 1, 1995; (h) made for payments of
7 principal and interest on bonds issued under the Metropolitan
8 Water Reclamation District Act to finance construction
9 projects initiated before October 1, 1991; (h-4) made for
10 stormwater management purposes by the Metropolitan Water
11 Reclamation District of Greater Chicago under Section 12 of the
12 Metropolitan Water Reclamation District Act; (i) made for
13 payments of principal and interest on limited bonds, as defined
14 in Section 3 of the Local Government Debt Reform Act, in an
15 amount not to exceed the debt service extension base less the
16 amount in items (b), (c), and (e) of this definition for
17 non-referendum obligations, except obligations initially
18 issued pursuant to referendum and bonds described in subsection
19 (h) of this definition; (j) made for payments of principal and
20 interest on bonds issued under Section 15 of the Local
21 Government Debt Reform Act; (k) made for payments of principal
22 and interest on bonds authorized by Public Act 88-503 and
23 issued under Section 20a of the Chicago Park District Act for
24 aquarium or museum projects; (l) made for payments of principal
25 and interest on bonds authorized by Public Act 87-1191 or
26 93-601 and (i) issued pursuant to Section 21.2 of the Cook

1 County Forest Preserve District Act, (ii) issued under Section
2 42 of the Cook County Forest Preserve District Act for
3 zoological park projects, or (iii) issued under Section 44.1 of
4 the Cook County Forest Preserve District Act for botanical
5 gardens projects; (m) made pursuant to Section 34-53.5 of the
6 School Code, whether levied annually or not; (n) made to fund
7 expenses of providing joint recreational programs for the
8 handicapped under Section 5-8 of the Park District Code or
9 Section 11-95-14 of the Illinois Municipal Code; (o) made by
10 the Chicago Park District for recreational programs for the
11 handicapped under subsection (c) of Section 7.06 of the Chicago
12 Park District Act; (p) made for contributions to a
13 firefighter's pension fund created under Article 4 of the
14 Illinois Pension Code, to the extent of the amount certified
15 under item (5) of Section 4-134 of the Illinois Pension Code;
16 and (q) made by Ford Heights School District 169 under Section
17 17-9.02 of the School Code.

18 "Aggregate extension" for all taxing districts to which
19 this Law applies in accordance with Section 18-213, except for
20 those taxing districts subject to paragraph (2) of subsection
21 (e) of Section 18-213, means the annual corporate extension for
22 the taxing district and those special purpose extensions that
23 are made annually for the taxing district, excluding special
24 purpose extensions: (a) made for the taxing district to pay
25 interest or principal on general obligation bonds that were
26 approved by referendum; (b) made for any taxing district to pay

1 interest or principal on general obligation bonds issued before
2 the date on which the referendum making this Law applicable to
3 the taxing district is held; (c) made for any taxing district
4 to pay interest or principal on bonds issued to refund or
5 continue to refund those bonds issued before the date on which
6 the referendum making this Law applicable to the taxing
7 district is held; (d) made for any taxing district to pay
8 interest or principal on bonds issued to refund or continue to
9 refund bonds issued after the date on which the referendum
10 making this Law applicable to the taxing district is held if
11 the bonds were approved by referendum after the date on which
12 the referendum making this Law applicable to the taxing
13 district is held; (e) made for any taxing district to pay
14 interest or principal on revenue bonds issued before the date
15 on which the referendum making this Law applicable to the
16 taxing district is held for payment of which a property tax
17 levy or the full faith and credit of the unit of local
18 government is pledged; however, a tax for the payment of
19 interest or principal on those bonds shall be made only after
20 the governing body of the unit of local government finds that
21 all other sources for payment are insufficient to make those
22 payments; (f) made for payments under a building commission
23 lease when the lease payments are for the retirement of bonds
24 issued by the commission before the date on which the
25 referendum making this Law applicable to the taxing district is
26 held to pay for the building project; (g) made for payments due

1 under installment contracts entered into before the date on
2 which the referendum making this Law applicable to the taxing
3 district is held; (h) made for payments of principal and
4 interest on limited bonds, as defined in Section 3 of the Local
5 Government Debt Reform Act, in an amount not to exceed the debt
6 service extension base less the amount in items (b), (c), and
7 (e) of 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); (k) made to fund expenses of providing
18 joint recreational programs for the handicapped under Section
19 5-8 of the Park District Code or Section 11-95-14 of the
20 Illinois Municipal Code; (l) made for contributions to a
21 firefighter's pension fund created under Article 4 of the
22 Illinois Pension Code, to the extent of the amount certified
23 under item (5) of Section 4-134 of the Illinois Pension Code;
24 and (m) made for the taxing district to pay interest or
25 principal on general obligation bonds issued pursuant to
26 Section 19-3.10 of the School Code.

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

1 commission lease when the lease payments are for the retirement
2 of bonds issued by the commission before the effective date of
3 this amendatory Act of 1997 to pay for the building project;
4 (g) made for payments due under installment contracts entered
5 into before the effective date of this amendatory Act of 1997;
6 (h) made for payments of principal and interest on limited
7 bonds, as defined in Section 3 of the Local Government Debt
8 Reform Act, in an amount not to exceed the debt service
9 extension base less the amount in items (b), (c), and (e) of
10 this definition for non-referendum obligations, except
11 obligations initially issued pursuant to referendum; (i) made
12 for payments of principal and interest on bonds issued under
13 Section 15 of the Local Government Debt Reform Act; (j) made
14 for a qualified airport authority to pay interest or principal
15 on general obligation bonds issued for the purpose of paying
16 obligations due under, or financing airport facilities
17 required to be acquired, constructed, installed or equipped
18 pursuant to, contracts entered into before March 1, 1996 (but
19 not including any amendments to such a contract taking effect
20 on or after that date); (k) made to fund expenses of providing
21 joint recreational programs for the handicapped under Section
22 5-8 of the Park District Code or Section 11-95-14 of the
23 Illinois Municipal Code; and (l) made for contributions to a
24 firefighter's pension fund created under Article 4 of the
25 Illinois Pension Code, to the extent of the amount certified
26 under item (5) of Section 4-134 of the Illinois Pension Code.

1 "Debt service extension base" means an amount equal to that
2 portion of the extension for a taxing district for the 1994
3 levy year, or for those taxing districts subject to this Law in
4 accordance with Section 18-213, except for those subject to
5 paragraph (2) of subsection (e) of Section 18-213, for the levy
6 year in which the referendum making this Law applicable to the
7 taxing district is held, or for those taxing districts subject
8 to this Law in accordance with paragraph (2) of subsection (e)
9 of Section 18-213 for the 1996 levy year, constituting an
10 extension for payment of principal and interest on bonds issued
11 by the taxing district without referendum, but not including
12 excluded non-referendum bonds. For park districts (i) that were
13 first subject to this Law in 1991 or 1995 and (ii) whose
14 extension for the 1994 levy year for the payment of principal
15 and interest on bonds issued by the park district without
16 referendum (but not including excluded non-referendum bonds)
17 was less than 51% of the amount for the 1991 levy year
18 constituting an extension for payment of principal and interest
19 on bonds issued by the park district without referendum (but
20 not including excluded non-referendum bonds), "debt service
21 extension base" means an amount equal to that portion of the
22 extension for the 1991 levy year constituting an extension for
23 payment of principal and interest on bonds issued by the park
24 district without referendum (but not including excluded
25 non-referendum bonds). A debt service extension base
26 established or increased at any time pursuant to any provision

1 of this Law, except Section 18-212, shall be increased each
2 year commencing with the later of (i) the 2009 levy year or
3 (ii) the first levy year in which this Law becomes applicable
4 to the taxing district, by the lesser of 5% or the percentage
5 increase in the Consumer Price Index during the 12-month
6 calendar year preceding the levy year. The debt service
7 extension base may be established or increased as provided
8 under Section 18-212. "Excluded non-referendum bonds" means
9 (i) bonds authorized by Public Act 88-503 and issued under
10 Section 20a of the Chicago Park District Act for aquarium and
11 museum projects; (ii) bonds issued under Section 15 of the
12 Local Government Debt Reform Act; or (iii) refunding
13 obligations issued to refund or to continue to refund
14 obligations initially issued pursuant to referendum.

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

23 "Aggregate extension base" means: (i) for levy years before
24 2013, the taxing district's last preceding aggregate extension
25 as adjusted under Sections 18-135, 18-215, and 18-230; and (ii)
26 for levy years 2013 and later, the greater of (A) the taxing

1 district's aggregate extension limit; or (B) the taxing
2 district's last preceding aggregate extension as adjusted
3 under Sections 18-135, 18-215, and 18-230. An adjustment under
4 Section 18-135 shall be made for the 2007 levy year and all
5 subsequent levy years whenever one or more counties within
6 which a taxing district is located (i) used estimated
7 valuations or rates when extending taxes in the taxing district
8 for the last preceding levy year that resulted in the over or
9 under extension of taxes, or (ii) increased or decreased the
10 tax extension for the last preceding levy year as required by
11 Section 18-135(c). Whenever an adjustment is required under
12 Section 18-135, the aggregate extension base of the taxing
13 district shall be equal to the amount that the aggregate
14 extension of the taxing district would have been for the last
15 preceding levy year if either or both (i) actual, rather than
16 estimated, valuations or rates had been used to calculate the
17 extension of taxes for the last levy year, or (ii) the tax
18 extension for the last preceding levy year had not been
19 adjusted as required by subsection (c) of Section 18-135.

20 "Levy year" has the same meaning as "year" under Section
21 1-155.

22 "Aggregate extension limit" means the district's last
23 preceding aggregate extension if the taxing district had
24 utilized the maximum limiting rate permitted without
25 referendum, as adjusted under Sections 18-135, 18-215, and
26 18-230.

1 "New property" means (i) the assessed value, after final
2 board of review or board of appeals action, of new improvements
3 or additions to existing improvements on any parcel of real
4 property that increase the assessed value of that real property
5 during the levy year multiplied by the equalization factor
6 issued by the Department under Section 17-30, (ii) the assessed
7 value, after final board of review or board of appeals action,
8 of real property not exempt from real estate taxation, which
9 real property was exempt from real estate taxation for any
10 portion of the immediately preceding levy year, multiplied by
11 the equalization factor issued by the Department under Section
12 17-30, including the assessed value, upon final stabilization
13 of occupancy after new construction is complete, of any real
14 property located within the boundaries of an otherwise or
15 previously exempt military reservation that is intended for
16 residential use and owned by or leased to a private corporation
17 or other entity, and (iii) in counties that classify in
18 accordance with Section 4 of Article IX of the Illinois
19 Constitution, an incentive property's additional assessed
20 value resulting from a scheduled increase in the level of
21 assessment as applied to the first year final board of review
22 market value. In addition, the county clerk in a county
23 containing a population of 3,000,000 or more shall include in
24 the 1997 recovered tax increment value for any school district,
25 any recovered tax increment value that was applicable to the
26 1995 tax year calculations.

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

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

1 Municipal Code, previously established under the Industrial
2 Jobs Recovery Law in the Illinois Municipal Code, or previously
3 established under the Economic Development Area Tax Increment
4 Allocation Act, by an amount equal to the 1994 equalized
5 assessed value of each taxable lot, block, tract, or parcel of
6 real property in the redevelopment project area over and above
7 the initial equalized assessed value of each property in the
8 redevelopment project area. In the first year after a
9 municipality removes a taxable lot, block, tract, or parcel of
10 real property from a redevelopment project area established
11 under the Tax Increment Allocation Development Act in the
12 Illinois Municipal Code, the Industrial Jobs Recovery Law in
13 the Illinois Municipal Code, or the Economic Development Area
14 Tax Increment Allocation Act, "recovered tax increment value"
15 means the amount of the current year's equalized assessed value
16 of each taxable lot, block, tract, or parcel of real property
17 removed from the redevelopment project area over and above the
18 initial equalized assessed value of that real property before
19 removal from the redevelopment project area.

20 Except as otherwise provided in this Section, "limiting
21 rate" means a fraction the numerator of which is the last
22 preceding aggregate extension base times an amount equal to one
23 plus the extension limitation defined in this Section and the
24 denominator of which is the current year's equalized assessed
25 value of all real property in the territory under the
26 jurisdiction of the taxing district during the prior levy year.

1 For those taxing districts that reduced their aggregate
2 extension for the last preceding levy year, the highest
3 aggregate extension in any of the last 3 preceding levy years
4 shall be used for the purpose of computing the limiting rate.
5 The denominator shall not include new property or the recovered
6 tax increment value. If a new rate, a rate decrease, or a
7 limiting rate increase has been approved at an election held
8 after March 21, 2006, then (i) the otherwise applicable
9 limiting rate shall be increased by the amount of the new rate
10 or shall be reduced by the amount of the rate decrease, as the
11 case may be, or (ii) in the case of a limiting rate increase,
12 the limiting rate shall be equal to the rate set forth in the
13 proposition approved by the voters for each of the years
14 specified in the proposition, after which the limiting rate of
15 the taxing district shall be calculated as otherwise provided.
16 (Source: P.A. 96-501, eff. 8-14-09; 96-517, eff. 8-14-09;
17 96-1000, eff. 7-2-10; 96-1202, eff. 7-22-10; 97-611, eff.
18 1-1-12.)".