



Sen. Antonio Muñoz

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1 AMENDMENT TO SENATE BILL 41

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 41, AS AMENDED, by  
3 replacing everything after the enacting clause with the  
4 following:

5 "Section 5. The Property Tax Code is amended by changing  
6 Section 20-15 and by adding Section 9-275 as follows:

7 (35 ILCS 200/9-275 new)

8 Sec. 9-275. Erroneous homestead exemptions.

9 (a) For purposes of this Section:

10 "Erroneous homestead exemption" means a homestead  
11 exemption that was granted for real property in a taxable year  
12 if the property was not eligible for that exemption in that  
13 taxable year. If the taxpayer receives an erroneous homestead  
14 exemption under a single Section of this Code for the same  
15 property in multiple years, that exemption is considered a  
16 single erroneous homestead exemption for purposes of this

1 Section. However, if the taxpayer receives erroneous homestead  
2 exemptions under multiple Sections of this Code for the same  
3 property, or if the taxpayer receives erroneous homestead  
4 exemptions under the same Section of this Code for multiple  
5 properties, then each of those exemptions is considered  
6 separate erroneous homestead exemption for purposes of this  
7 Section.

8 "Homestead exemption" means an exemption under Section  
9 15-165 (disabled veterans), 15-167 (returning veterans),  
10 15-168 (disabled persons), 15-169 (disabled veterans standard  
11 homestead), 15-170 (senior citizens), 15-172 (senior citizens  
12 assessment freeze), 15-175 (general homestead), 15-176  
13 (alternative general homestead), or 15-177 (long-time  
14 occupant).

15 (b) Notwithstanding any other provision of law, in counties  
16 with 3,000,000 or more inhabitants, the chief county assessment  
17 officer shall include the following information with each  
18 assessment notice sent in a general assessment year: (1) a list  
19 of each homestead exemption available under Article 15 of this  
20 Code and a description of the eligibility criteria for that  
21 exemption; (2) a list of each homestead exemption applied to  
22 the property in the current assessment year; (3) information  
23 regarding penalties and interest that may be incurred under  
24 this Section if the property owner received an erroneous  
25 homestead exemption in a previous taxable year; and (4) notice  
26 of the 60-day grace period available under this subsection. If,

1 within 60 days after receiving his or her assessment notice,  
2 the property owner notifies the chief county assessment officer  
3 that he or she received an erroneous homestead exemption in a  
4 previous assessment year, and if the property owner pays the  
5 principal amount of back taxes due and owing with respect to  
6 that exemption, plus interest as provided in subsection (f),  
7 then the property owner shall not be liable for the penalties  
8 provided in subsection (f) with respect to that exemption.

9 (c) The chief county assessment officer in a county with  
10 3,000,000 or more inhabitants may cause a lien to be recorded  
11 against property that (1) is located in the county and (2)  
12 received one or more erroneous homestead exemptions if, upon  
13 determination of the chief county assessment officer, the  
14 property owner received: (A) one or 2 erroneous homestead  
15 exemptions for real property, including at least one erroneous  
16 homestead exemption granted for the property against which the  
17 lien is sought, during any of the 3 assessment years  
18 immediately prior to the assessment year in which the notice of  
19 intent to record at tax lien is served; or (2) 3 or more  
20 erroneous homestead exemptions for real property, including at  
21 least one erroneous homestead exemption granted for the  
22 property against which the lien is sought, during any of the 6  
23 assessment years immediately prior to the assessment year in  
24 which the notice of intent to record at tax lien is served.  
25 Prior to recording the lien against the property, the chief  
26 county assessment officer shall cause to be served, by both

1 regular mail and certified mail, return receipt requested, on  
2 the person to whom the most recent tax bill was mailed and the  
3 owner of record, a notice of intent to record a tax lien  
4 against the property.

5 (d) The notice of intent to record a tax lien described in  
6 subsection (c) shall: (1) identify, by property index number,  
7 the property against which the lien is being sought; (2)  
8 identify each specific homestead exemption that was  
9 erroneously granted and the year or years in which each  
10 exemption was granted; (3) set forth the arrearage of taxes  
11 that would have been due if not for the erroneous homestead  
12 exemptions; (4) inform the property owner that he or she may  
13 request a hearing within 30 days after service and may appeal  
14 the hearing officer's ruling to the circuit court; and (5)  
15 inform the property owner that he or she may pay the amount  
16 due, plus interest and penalties, within 30 days after service.

17 (e) The notice must also include a form that the property  
18 owner may return to the chief county assessment officer to  
19 request a hearing. The property owner may request a hearing by  
20 returning the form within 30 days after service. The hearing  
21 shall be held within 90 days after the property owner is  
22 served. The chief county assessment officer shall promulgate  
23 rules of service and procedure for the hearing. The chief  
24 county assessment officer must generally follow rules of  
25 evidence and practices that prevail in the county circuit  
26 courts, but, because of the nature of these proceedings, the

1 chief county assessment officer is not bound by those rules in  
2 all particulars. The chief county assessment officer shall  
3 appoint a hearing officer to oversee the hearing. The property  
4 owner shall be allowed to present evidence to the hearing  
5 officer at the hearing. After taking into consideration all the  
6 relevant testimony and evidence, the hearing officer shall make  
7 an administrative decision on whether the property owner was  
8 erroneously granted a homestead exemption for the assessment  
9 year in question. The property owner may appeal the hearing  
10 officer's ruling to the circuit court of the county where the  
11 property is located as a final administrative decision under  
12 the Administrative Review Law.

13 (f) A lien against the property imposed under this Section  
14 shall be filed with the county recorder of deeds, but may not  
15 be filed sooner than 60 days after the notice was delivered to  
16 the property owner if the property owner does not request a  
17 hearing, or until the conclusion of the hearing and all appeals  
18 if the property owner does request a hearing. If a lien is  
19 filed pursuant to this Section and the property owner received  
20 one or 2 erroneous homestead exemptions during any of the 3  
21 assessment years immediately prior to the assessment year in  
22 which the notice of intent to record a tax lien is served,  
23 then the arrearages of taxes that might have been assessed for  
24 that property, plus 10% interest per annum, shall be charged  
25 against the property by the county treasurer. However, if a  
26 lien is filed pursuant to this Section and the property owner

1 received 3 or more erroneous homestead exemptions during any of  
2 the 6 assessment years immediately prior to the assessment year  
3 in which the notice of intent to record a tax lien is served,  
4 the arrearages of taxes that might have been assessed for that  
5 property, plus a penalty of 50% of the total amount of unpaid  
6 taxes for each year for that property and 10% interest per  
7 annum, shall be charged against the property by the county  
8 treasurer.

9 (g) If a person received an erroneous homestead exemption  
10 under Section 15-170 and: (1) the person was the spouse, child,  
11 grandchild, brother, sister, niece, or nephew of the previous  
12 owner; and (2) the person received the property by bequest or  
13 inheritance; then the person is not liable for the penalties  
14 imposed under this subsection for any year or years during  
15 which the county did not require an annual application for the  
16 exemption. However, that person is responsible for any interest  
17 owed under subsection (f).

18 (h) If the erroneous homestead exemption was granted as a  
19 result of a clerical error or omission on the part of the chief  
20 county assessment officer, and if the owner has paid its tax  
21 bills as received for the year in which the error occurred,  
22 then the interest and penalties authorized by this Section with  
23 respect to that homestead exemption shall not be chargeable to  
24 the owner. However, nothing in this Section shall prevent the  
25 collection of the principal amount of back taxes due and owing.

26 (i) A lien under this Section is not valid as to (1) any

1 bona fide purchaser for value without notice of the erroneous  
2 homestead exemption whose rights in and to the underlying  
3 parcel arose after the erroneous homestead exemption was  
4 granted but before the filing of the notice of lien; or (2) any  
5 mortgagee, judgment creditor, or other lienor whose rights in  
6 and to the underlying parcel arose before the filing of the  
7 notice of lien. A title insurance policy for the property that  
8 is issued by a title company licensed to do business in the  
9 State showing that the property is free and clear of any liens  
10 imposed under this Section shall be prima facie evidence that  
11 the property owner is without notice of the erroneous homestead  
12 exemption. Nothing in this Section shall be deemed to impair  
13 the rights of subsequent creditors and subsequent purchasers  
14 under Section 30 of the Conveyances Act.

15 (j) When a lien is filed against the property pursuant to  
16 this Section, the chief county assessment officer shall mail a  
17 copy of the lien to the person to whom the most recent tax bill  
18 was mailed and to the owner of record, and the outstanding  
19 liability created by such a lien is due and payable within 30  
20 days after the mailing of the lien by the chief county  
21 assessment officer. Payment shall be made to the chief county  
22 assessment officer who shall, upon receipt of the full amount  
23 due, provide in reasonable form a release of the lien and shall  
24 transmit the funds received to the county treasurer for  
25 distribution as provided in subsection (i) of this Section.  
26 This liability is deemed delinquent and shall bear interest

1 beginning on the day after the due date.

2 (k) The unpaid taxes shall be paid to the appropriate  
3 taxing districts. Interest shall be paid to the county where  
4 the property is located. The penalty shall be paid to the chief  
5 county assessment officer's office for the administration of  
6 the provisions of this amendatory Act of the 98th General  
7 Assembly.

8 (l) The chief county assessment officer in a county with  
9 3,000,000 or more inhabitants shall establish an amnesty period  
10 for all taxpayers owing any tax due to an erroneous homestead  
11 exemption granted in a tax year prior to the 2013 tax year. The  
12 amnesty period shall begin on the effective date of this  
13 amendatory Act of the 98th General Assembly and shall run  
14 through December 31, 2013. If, during the amnesty period, the  
15 taxpayer pays the entire arrearage of taxes due for tax years  
16 prior to 2013, the county clerk shall abate and not seek to  
17 collect any interest or penalties that may be applicable and  
18 shall not seek civil or criminal prosecution for any taxpayer  
19 for tax years prior to 2013. Failure to pay all such taxes due  
20 during the amnesty period established under this Section shall  
21 invalidate the amnesty period for that taxpayer.

22 The chief county assessment officer in a county with  
23 3,000,000 or more inhabitants shall (i) mail notice of the  
24 amnesty period with the tax bills for the second installment of  
25 taxes for the 2012 assessment year and (ii) as soon as possible  
26 after the effective date of this amendatory Act of the 98th

1 General Assembly, publish notice of the amnesty period in a  
2 newspaper of general circulation in the county. Notices shall  
3 include information on the amnesty period, its purpose, and the  
4 method in which to make payment.

5 Taxpayers who are a party to any criminal investigation or  
6 to any civil or criminal litigation that is pending in any  
7 circuit court or appellate court, or in the Supreme Court of  
8 this State, for nonpayment, delinquency, or fraud in relation  
9 to any property tax imposed by any taxing district located in  
10 the State on the effective date of this amendatory Act of the  
11 98th General Assembly may not take advantage of the amnesty  
12 period.

13 A taxpayer who has claimed 3 or more homestead exemptions  
14 in error shall not be eligible for the amnesty period  
15 established under this subsection.

16 (35 ILCS 200/20-15)

17 Sec. 20-15. Information on bill or separate statement.  
18 There shall be printed on each bill, or on a separate slip  
19 which shall be mailed with the bill:

20 (a) a statement itemizing the rate at which taxes have  
21 been extended for each of the taxing districts in the  
22 county in whose district the property is located, and in  
23 those counties utilizing electronic data processing  
24 equipment the dollar amount of tax due from the person  
25 assessed allocable to each of those taxing districts,

1 including a separate statement of the dollar amount of tax  
2 due which is allocable to a tax levied under the Illinois  
3 Local Library Act or to any other tax levied by a  
4 municipality or township for public library purposes,

5 (b) a separate statement for each of the taxing  
6 districts of the dollar amount of tax due which is  
7 allocable to a tax levied under the Illinois Pension Code  
8 or to any other tax levied by a municipality or township  
9 for public pension or retirement purposes,

10 (c) the total tax rate,

11 (d) the total amount of tax due, and

12 (e) the amount by which the total tax and the tax  
13 allocable to each taxing district differs from the  
14 taxpayer's last prior tax bill.

15 The county treasurer shall ensure that only those taxing  
16 districts in which a parcel of property is located shall be  
17 listed on the bill for that property.

18 In all counties the statement shall also provide:

19 (1) the property index number or other suitable  
20 description,

21 (2) the assessment of the property,

22 (3) the statutory amount of each homestead exemption  
23 applied to the property,

24 (4) the assessed value of the property after  
25 application of all homestead exemptions,

26 (5) ~~(3)~~ the equalization factors imposed by the county

1 and by the Department, and

2 (6) ~~(4)~~ the equalized assessment resulting from the  
3 application of the equalization factors to the basic  
4 assessment.

5 In all counties which do not classify property for purposes  
6 of taxation, for property on which a single family residence is  
7 situated the statement shall also include a statement to  
8 reflect the fair cash value determined for the property. In all  
9 counties which classify property for purposes of taxation in  
10 accordance with Section 4 of Article IX of the Illinois  
11 Constitution, for parcels of residential property in the lowest  
12 assessment classification the statement shall also include a  
13 statement to reflect the fair cash value determined for the  
14 property.

15 In all counties, the statement must include information  
16 that certain taxpayers may be eligible for tax exemptions,  
17 abatements, and other assistance programs and that, for more  
18 information, taxpayers should consult with the office of their  
19 township or county assessor and with the Illinois Department of  
20 Revenue.

21 In all counties, the statement shall include information  
22 that certain taxpayers may be eligible for the Senior Citizens  
23 and Disabled Persons Property Tax Relief Act and that  
24 applications are available from the Illinois Department on  
25 Aging.

26 In counties which use the estimated or accelerated billing

1 methods, these statements shall only be provided with the final  
2 installment of taxes due. The provisions of this Section create  
3 a mandatory statutory duty. They are not merely directory or  
4 discretionary. The failure or neglect of the collector to mail  
5 the bill, or the failure of the taxpayer to receive the bill,  
6 shall not affect the validity of any tax, or the liability for  
7 the payment of any tax.

8 (Source: P.A. 97-689, eff. 6-14-12.)

9 Section 99. Effective date. This Act takes effect June 1,  
10 2013.".