

1 AN ACT concerning revenue.

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

4 Section 5. The Property Tax Code is amended by changing
5 Sections 15-165 and 15-169 as follows:

6 (35 ILCS 200/15-165)

7 Sec. 15-165. Disabled veterans. Property up to an assessed
8 value of \$100,000 ~~\$70,000~~, owned and used exclusively by a
9 disabled veteran, or the spouse or unmarried surviving spouse
10 of the veteran, as a home, is exempt. As used in this Section,
11 a disabled veteran means a person who has served in the Armed
12 Forces of the United States and whose disability is of such a
13 nature that the Federal Government has authorized payment for
14 purchase or construction of Specially Adapted Housing as set
15 forth in the United States Code, Title 38, Chapter 21, Section
16 2101.

17 The exemption applies to housing where Federal funds have
18 been used to purchase or construct special adaptations to suit
19 the veteran's disability.

20 The exemption also applies to housing that is specially
21 adapted to suit the veteran's disability, and purchased
22 entirely or in part by the proceeds of a sale, casualty loss
23 reimbursement, or other transfer of a home for which the

1 Federal Government had previously authorized payment for
2 purchase or construction as Specially Adapted Housing.

3 However, the entire proceeds of the sale, casualty loss
4 reimbursement, or other transfer of that housing shall be
5 applied to the acquisition of subsequent specially adapted
6 housing to the extent that the proceeds equal the purchase
7 price of the subsequently acquired housing.

8 Beginning with the 2015 tax year, the exemption also
9 applies to housing that is specifically constructed or adapted
10 to suit a qualifying veteran's disability if the housing or
11 adaptations are donated by a charitable organization, the
12 veteran has been approved to receive funds for the purchase or
13 construction of Specially Adapted Housing under Title 38,
14 Chapter 21, Section 2101 of the United States Code, and the
15 home has been inspected and certified by a licensed home
16 inspector to be in compliance with applicable standards set
17 forth in U.S. Department of Veterans Affairs, Veterans Benefits
18 Administration Pamphlet 26-13 Handbook for Design of Specially
19 Adapted Housing.

20 For purposes of this Section, "charitable organization"
21 means any benevolent, philanthropic, patriotic, or
22 eleemosynary entity that solicits and collects funds for
23 charitable purposes and includes each local, county, or area
24 division of that charitable organization.

25 For purposes of this Section, "unmarried surviving spouse"
26 means the surviving spouse of the veteran at any time after the

1 death of the veteran during which such surviving spouse is not
2 married.

3 This exemption must be reestablished on an annual basis by
4 certification from the Illinois Department of Veterans'
5 Affairs to the Department, which shall forward a copy of the
6 certification to local assessing officials.

7 A taxpayer who claims an exemption under Section 15-168 or
8 15-169 may not claim an exemption under this Section.

9 (Source: P.A. 94-310, eff. 7-25-05; 95-644, eff. 10-12-07.)

10 (35 ILCS 200/15-169)

11 Sec. 15-169. Disabled veterans standard homestead
12 exemption.

13 (a) Beginning with taxable year 2007, an annual homestead
14 exemption, limited to the amounts set forth in subsection (b),
15 is granted for property that is used as a qualified residence
16 by a disabled veteran.

17 (b) The amount of the exemption under this Section is as
18 follows:

19 (1) for veterans with a service-connected disability
20 of at least (i) 75% for exemptions granted in taxable years
21 2007 through 2009 and (ii) 70% for exemptions granted in
22 taxable year 2010 and each taxable year thereafter, as
23 certified by the United States Department of Veterans
24 Affairs, the annual exemption is \$5,000; and

25 (2) for veterans with a service-connected disability

1 of at least 50%, but less than (i) 75% for exemptions
2 granted in taxable years 2007 through 2009 and (ii) 70% for
3 exemptions granted in taxable year 2010 and each taxable
4 year thereafter, as certified by the United States
5 Department of Veterans Affairs, the annual exemption is
6 \$2,500.

7 (b-5) If a homestead exemption is granted under this
8 Section and the person awarded the exemption subsequently
9 becomes a resident of a facility licensed under the Nursing
10 Home Care Act or a facility operated by the United States
11 Department of Veterans Affairs, then the exemption shall
12 continue (i) so long as the residence continues to be occupied
13 by the qualifying person's spouse or (ii) if the residence
14 remains unoccupied but is still owned by the person who
15 qualified for the homestead exemption.

16 (c) The tax exemption under this Section carries over to
17 the benefit of the veteran's surviving spouse as long as the
18 spouse holds the legal or beneficial title to the homestead,
19 permanently resides thereon, and does not remarry. If the
20 surviving spouse sells the property, an exemption not to exceed
21 the amount granted from the most recent ad valorem tax roll may
22 be transferred to his or her new residence as long as it is
23 used as his or her primary residence and he or she does not
24 remarry.

25 (c-1) Beginning with taxable year 2015, nothing in this
26 Section shall require the veteran to have qualified for or

1 obtained the exemption before death if the veteran was killed
2 in the line of duty.

3 (d) The exemption under this Section applies for taxable
4 year 2007 and thereafter. A taxpayer who claims an exemption
5 under Section 15-165 or 15-168 may not claim an exemption under
6 this Section.

7 (e) Each taxpayer who has been granted an exemption under
8 this Section must reapply on an annual basis. Application must
9 be made during the application period in effect for the county
10 of his or her residence. The assessor or chief county
11 assessment officer may determine the eligibility of
12 residential property to receive the homestead exemption
13 provided by this Section by application, visual inspection,
14 questionnaire, or other reasonable methods. The determination
15 must be made in accordance with guidelines established by the
16 Department.

17 (f) For the purposes of this Section:

18 "Qualified residence" means real property, but less any
19 portion of that property that is used for commercial purposes,
20 with an equalized assessed value of less than \$250,000 that is
21 the disabled veteran's primary residence. Property rented for
22 more than 6 months is presumed to be used for commercial
23 purposes.

24 "Veteran" means an Illinois resident who has served as a
25 member of the United States Armed Forces on active duty or
26 State active duty, a member of the Illinois National Guard, or

1 a member of the United States Reserve Forces and who has
2 received an honorable discharge.

3 (Source: P.A. 96-1298, eff. 1-1-11; 96-1418, eff. 8-2-10;
4 97-333, eff. 8-12-11.)

5 Section 10. The Mobile Home Local Services Tax Act is
6 amended by changing Section 7.5 as follows:

7 (35 ILCS 515/7.5)

8 Sec. 7.5. Exemption for disabled veterans.

9 (a) Beginning on January 1, 2004, a mobile home owned and
10 used exclusively by a disabled veteran or the spouse or
11 unmarried surviving spouse of the veteran as a home, is exempt
12 from the tax imposed under this Act.

13 Beginning with the 2015 tax year, the exemption also
14 applies to housing that is specifically constructed or adapted
15 to suit a qualifying veteran's disability if the housing or
16 adaptations are donated by a charitable organization, the
17 veteran has been approved to receive funds for the purchase or
18 construction of Specially Adapted Housing under Title 38,
19 Chapter 21, Section 2101 of the United States Code, and the
20 home has been inspected and certified by a licensed home
21 inspector to be in compliance with applicable standards set
22 forth in U.S. Department of Veterans Affairs, Veterans Benefits
23 Administration Pamphlet 26-13 Handbook for Design of Specially
24 Adapted Housing.

1 (b) As used in this Section:

2 "Disabled veteran" means a person who has served in the
3 armed forces of the United States and whose disability is of
4 such a nature that the federal government has authorized
5 payment for purchase or construction of specially adapted
6 housing as set forth in the United States Code, Title 38,
7 Chapter 21, Section 2101.

8 For purposes of this Section, "charitable organization"
9 means any benevolent, philanthropic, patriotic, or
10 eleemosynary entity that solicits and collects funds for
11 charitable purposes and includes each local, county, or area
12 division of that charitable organization.

13 "Unmarried surviving spouse" means the surviving spouse of
14 the veteran at any time after the death of the veteran during
15 which the surviving spouse is not married.

16 (c) Eligibility for this exemption must be reestablished on
17 an annual basis by certification from the Illinois Department
18 of Veterans' Affairs to the county clerk of the county in which
19 the exempt mobile home is located. The county clerk shall
20 forward a copy of the certification to local assessing
21 officials.

22 (Source: P.A. 93-146, eff. 7-10-03.)

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