



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB1558

by Rep. Chad Hays

SYNOPSIS AS INTRODUCED:

35 ILCS 200/10-700

Amends the Property Tax Code. In a Section concerning the valuation of commercial or industrial property that has been rebuilt following a tornado disaster, provides for a partial reduction in equalized assessed value if the square footage of the rebuilt structure exceeds 110% of the square footage of the original structure (currently, property is not entitled to a reduction if the square footage of the rebuilt structure exceeds 110% of the square footage of the original structure). Effective immediately.

LRB099 07995 HLH 28135 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

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 Section 10-700 as follows:

6 (35 ILCS 200/10-700)

7 Sec. 10-700. Qualified commercial and industrial property;
8 tornado disaster. Notwithstanding any other provision of law,
9 each qualified parcel of commercial or industrial property
10 owned and used by a small business shall be valued at the
11 lesser of (i) its modified equalized assessed value or (ii) 33
12 1/3% of its fair cash value or, in the case of property located
13 in a county that classifies property for purposes of taxation
14 in accordance with Section 4 of Article IX of the Constitution,
15 the percentage of fair cash value as required by county
16 ordinance. The method of valuation under this Section shall
17 continue until there is a change in use or ownership of the
18 property or until the fifteenth taxable year after the tornado
19 disaster occurs, whichever occurs first. In order to qualify
20 for valuation under this Section, the structure must be rebuilt
21 within 2 years after the date of the tornado disaster. If ~~and~~
22 the square footage of the rebuilt structure does not exceed ~~may~~
23 ~~not be more than~~ 110% of the square footage of the original

1 structure as it existed immediately prior to the tornado
2 disaster, then the property is entitled to 100% of the
3 reduction in equalized assessed value created under this
4 Section. If the square footage of the rebuilt structure exceeds
5 110% of the square footage of the original structure as it
6 existed immediately prior to the tornado disaster, then the
7 amount of the reduction in equalized assessed value shall be
8 modified by a multiplier the numerator of which is 110% of the
9 square footage of the original structure and the denominator of
10 which is the total square footage of the rebuilt structure.

11 "Base year" means the taxable year prior to the taxable
12 year in which the tornado disaster occurred.

13 "Modified equalized assessed value" means:

14 (1) in the first taxable year after the tornado
15 disaster occurs, the equalized assessed value of the
16 property for the base year; and

17 (2) in the second taxable year after the tornado
18 disaster occurs and thereafter, the modified equalized
19 assessed value of the property for the previous taxable
20 year, increased by 4%.

21 "Tornado disaster" means an occurrence of widespread or
22 severe damage or loss of property resulting from a tornado or
23 combination of tornadoes that has been proclaimed as a natural
24 disaster by the Governor or the President of the United States.

25 "Qualified parcel of property" means property that (i) is
26 owned and used exclusively for commercial or industrial

1 purposes by a small business and (ii) has been rebuilt
2 following a tornado disaster occurring in taxable year 2013 or
3 any taxable year thereafter.

4 "Small business" means a business that employs fewer than
5 50 full-time employees.

6 (Source: P.A. 98-702, eff. 7-7-14.)

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