



Rep. Barbara Flynn Currie

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1 AMENDMENT TO SENATE BILL 1488

2 AMENDMENT NO. _____. Amend Senate Bill 1488, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Property Tax Code is amended by changing
6 Section 15-175 as follows:

7 (35 ILCS 200/15-175)

8 Sec. 15-175. General homestead exemption.

9 (a) Except as provided in Sections 15-176 and 15-177,
10 homestead property is entitled to an annual homestead exemption
11 limited, except as described here with relation to
12 cooperatives, to a reduction in the equalized assessed value of
13 homestead property equal to the increase in equalized assessed
14 value for the current assessment year above the equalized
15 assessed value of the property for 1977, up to the maximum
16 reduction set forth below. If however, the 1977 equalized

1 assessed value upon which taxes were paid is subsequently
2 determined by local assessing officials, the Property Tax
3 Appeal Board, or a court to have been excessive, the equalized
4 assessed value which should have been placed on the property
5 for 1977 shall be used to determine the amount of the
6 exemption.

7 (b) Except as provided in Section 15-176, the maximum
8 reduction before taxable year 2004 shall be \$4,500 in counties
9 with 3,000,000 or more inhabitants and \$3,500 in all other
10 counties. Except as provided in Sections 15-176 and 15-177, for
11 taxable years 2004 through 2007, the maximum reduction shall be
12 \$5,000, for taxable year 2008, the maximum reduction is \$5,500,
13 and, for taxable years 2009 through 2011, the maximum reduction
14 is \$6,000 in all counties. Except as provided in subsections
15 (b-1) and (b-2), for ~~For~~ taxable years 2012 and thereafter, the
16 maximum reduction is \$7,000 in counties with 3,000,000 or more
17 inhabitants and \$6,000 in all other counties. If a county has
18 elected to subject itself to the provisions of Section 15-176
19 as provided in subsection (k) of that Section, then, for the
20 first taxable year only after the provisions of Section 15-176
21 no longer apply, for owners who, for the taxable year, have not
22 been granted a senior citizens assessment freeze homestead
23 exemption under Section 15-172 or a long-time occupant
24 homestead exemption under Section 15-177, there shall be an
25 additional exemption of \$5,000 for owners with a household
26 income of \$30,000 or less.

1 (b-1) For taxable years 2015 and thereafter, in any
2 municipality with 1,000,000 or more inhabitants that has
3 elected, by ordinance in accordance with this subsection (b-1),
4 to be subject to the provisions of this subsection (b-1), the
5 maximum reduction is \$14,000; provided, however, that any
6 reduction above \$7,000 shall apply only as to levies that are
7 imposed exclusively within such municipality. To be subject to
8 the provisions of this subsection (b-1), a municipality must
9 adopt an ordinance to subject itself to the provisions of this
10 subsection (b-1) within 6 months after the effective date of
11 this amendatory Act of the 99th General Assembly.

12 (b-2) For taxable years 2015 and thereafter, in any county
13 that has elected, by ordinance in accordance with this
14 subsection (b-2), to be subject to the provisions of this
15 subsection (b-2), the maximum reduction is \$14,000. To be
16 subject to the provisions of this subsection (b-2), a county
17 must adopt an ordinance to subject itself to the provisions of
18 this subsection (b-2) within 6 months after the effective date
19 of this amendatory Act of the 99th General Assembly.

20 (c) In counties with fewer than 3,000,000 inhabitants, if,
21 based on the most recent assessment, the equalized assessed
22 value of the homestead property for the current assessment year
23 is greater than the equalized assessed value of the property
24 for 1977, the owner of the property shall automatically receive
25 the exemption granted under this Section in an amount equal to
26 the increase over the 1977 assessment up to the maximum

1 reduction set forth in this Section.

2 (d) If in any assessment year beginning with the 2000
3 assessment year, homestead property has a pro-rata valuation
4 under Section 9-180 resulting in an increase in the assessed
5 valuation, a reduction in equalized assessed valuation equal to
6 the increase in equalized assessed value of the property for
7 the year of the pro-rata valuation above the equalized assessed
8 value of the property for 1977 shall be applied to the property
9 on a proportionate basis for the period the property qualified
10 as homestead property during the assessment year. The maximum
11 proportionate homestead exemption shall not exceed the maximum
12 homestead exemption allowed in the county under this Section
13 divided by 365 and multiplied by the number of days the
14 property qualified as homestead property.

15 (e) The chief county assessment officer may, when
16 considering whether to grant a leasehold exemption under this
17 Section, require the following conditions to be met:

18 (1) that a notarized application for the exemption,
19 signed by both the owner and the lessee of the property,
20 must be submitted each year during the application period
21 in effect for the county in which the property is located;

22 (2) that a copy of the lease must be filed with the
23 chief county assessment officer by the owner of the
24 property at the time the notarized application is
25 submitted;

26 (3) that the lease must expressly state that the lessee

1 is liable for the payment of property taxes; and

2 (4) that the lease must include the following language
3 in substantially the following form:

4 "Lessee shall be liable for the payment of real
5 estate taxes with respect to the residence in
6 accordance with the terms and conditions of Section
7 15-175 of the Property Tax Code (35 ILCS 200/15-175).
8 The permanent real estate index number for the premises
9 is (insert number), and, according to the most recent
10 property tax bill, the current amount of real estate
11 taxes associated with the premises is (insert amount)
12 per year. The parties agree that the monthly rent set
13 forth above shall be increased or decreased pro rata
14 (effective January 1 of each calendar year) to reflect
15 any increase or decrease in real estate taxes. Lessee
16 shall be deemed to be satisfying Lessee's liability for
17 the above mentioned real estate taxes with the monthly
18 rent payments as set forth above (or increased or
19 decreased as set forth herein).".

20 In addition, if there is a change in lessee, or if the
21 lessee vacates the property, then the chief county assessment
22 officer may require the owner of the property to notify the
23 chief county assessment officer of that change.

24 This subsection (e) does not apply to leasehold interests
25 in property owned by a municipality.

26 (f) "Homestead property" under this Section includes

1 residential property that is occupied by its owner or owners as
2 his or their principal dwelling place, or that is a leasehold
3 interest on which a single family residence is situated, which
4 is occupied as a residence by a person who has an ownership
5 interest therein, legal or equitable or as a lessee, and on
6 which the person is liable for the payment of property taxes.
7 For land improved with an apartment building owned and operated
8 as a cooperative or a building which is a life care facility as
9 defined in Section 15-170 and considered to be a cooperative
10 under Section 15-170, the maximum reduction from the equalized
11 assessed value shall be limited to the increase in the value
12 above the equalized assessed value of the property for 1977, up
13 to the maximum reduction set forth above, multiplied by the
14 number of apartments or units occupied by a person or persons
15 who is liable, by contract with the owner or owners of record,
16 for paying property taxes on the property and is an owner of
17 record of a legal or equitable interest in the cooperative
18 apartment building, other than a leasehold interest. For
19 purposes of this Section, the term "life care facility" has the
20 meaning stated in Section 15-170.

21 "Household", as used in this Section, means the owner, the
22 spouse of the owner, and all persons using the residence of the
23 owner as their principal place of residence.

24 "Household income", as used in this Section, means the
25 combined income of the members of a household for the calendar
26 year preceding the taxable year.

1 "Income", as used in this Section, has the same meaning as
2 provided in Section 3.07 of the Senior Citizens and Persons
3 with Disabilities Property Tax Relief Act, except that "income"
4 does not include veteran's benefits.

5 (g) In a cooperative where a homestead exemption has been
6 granted, the cooperative association or its management firm
7 shall credit the savings resulting from that exemption only to
8 the apportioned tax liability of the owner who qualified for
9 the exemption. Any person who willfully refuses to so credit
10 the savings shall be guilty of a Class B misdemeanor.

11 (h) Where married persons maintain and reside in separate
12 residences qualifying as homestead property, each residence
13 shall receive 50% of the total reduction in equalized assessed
14 valuation provided by this Section.

15 (i) In all counties, the assessor or chief county
16 assessment officer may determine the eligibility of
17 residential property to receive the homestead exemption and the
18 amount of the exemption by application, visual inspection,
19 questionnaire or other reasonable methods. The determination
20 shall be made in accordance with guidelines established by the
21 Department, provided that the taxpayer applying for an
22 additional general exemption under this Section shall submit to
23 the chief county assessment officer an application with an
24 affidavit of the applicant's total household income, age,
25 marital status (and, if married, the name and address of the
26 applicant's spouse, if known), and principal dwelling place of

1 members of the household on January 1 of the taxable year. The
2 Department shall issue guidelines establishing a method for
3 verifying the accuracy of the affidavits filed by applicants
4 under this paragraph. The applications shall be clearly marked
5 as applications for the Additional General Homestead
6 Exemption.

7 (i-5) This subsection (i-5) applies to counties with
8 3,000,000 or more inhabitants. In the event of a sale of
9 homestead property, the homestead exemption shall remain in
10 effect for the remainder of the assessment year of the sale.
11 Upon receipt of a transfer declaration transmitted by the
12 recorder pursuant to Section 31-30 of the Real Estate Transfer
13 Tax Law for property receiving an exemption under this Section,
14 the assessor shall mail a notice and forms to the new owner of
15 the property providing information pertaining to the rules and
16 applicable filing periods for applying or reapplying for
17 homestead exemptions under this Code for which the property may
18 be eligible. If the new owner fails to apply or reapply for a
19 homestead exemption during the applicable filing period or the
20 property no longer qualifies for an existing homestead
21 exemption, the assessor shall cancel such exemption for any
22 ensuing assessment year.

23 (j) In counties with fewer than 3,000,000 inhabitants, in
24 the event of a sale of homestead property the homestead
25 exemption shall remain in effect for the remainder of the
26 assessment year of the sale. The assessor or chief county

1 assessment officer may require the new owner of the property to
2 apply for the homestead exemption for the following assessment
3 year.

4 (k) Notwithstanding Sections 6 and 8 of the State Mandates
5 Act, no reimbursement by the State is required for the
6 implementation of any mandate created by this Section.

7 (Source: P.A. 98-7, eff. 4-23-13; 98-463, eff. 8-16-13; 99-143,
8 eff. 7-27-15; 99-164, eff. 7-28-15; revised 8-25-15.)

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