



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

SB2428

Introduced 2/9/2016, by Sen. Emil Jones, III

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-167
35 ILCS 200/15-168
35 ILCS 200/15-169
35 ILCS 200/15-170
35 ILCS 200/15-172
35 ILCS 200/15-175

Amends the Property Tax Code. Provides that, when granting a leasehold exemption under the returning veterans' homestead exemption, the homestead exemption for persons with disabilities, the homestead exemption for veterans with disabilities, the senior citizens homestead exemption, or the senior citizens assessment freeze homestead exemption, the chief county assessment officer may require the applicant to meet the conditions set forth in the Section concerning the general homestead exemption. Provides that the chief county assessment officer may not require payment of real estate taxes by the lessee to the county collector. Effective immediately.

LRB099 15843 HLH 42104 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

A BILL FOR

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 15-167, 15-168, 15-169, 15-170, 15-172, and 15-175 as
6 follows:

7 (35 ILCS 200/15-167)

8 Sec. 15-167. Returning Veterans' Homestead Exemption.

9 (a) Beginning with taxable year 2007, a homestead
10 exemption, limited to a reduction set forth under subsection
11 (b), from the property's value, as equalized or assessed by the
12 Department, is granted for property that is owned and occupied
13 as the principal residence of a veteran returning from an armed
14 conflict involving the armed forces of the United States who is
15 liable for paying real estate taxes on the property and is an
16 owner of record of the property or has a legal or equitable
17 interest therein as evidenced by a written instrument, except
18 for a leasehold interest, other than a leasehold interest of
19 land on which a single family residence is located, which is
20 occupied as the principal residence of a veteran returning from
21 an armed conflict involving the armed forces of the United
22 States who has an ownership interest therein, legal, equitable
23 or as a lessee, and on which he or she is liable for the payment

1 of property taxes. For purposes of the exemption under this
2 Section, "veteran" means an Illinois resident who has served as
3 a member of the United States Armed Forces, a member of the
4 Illinois National Guard, or a member of the United States
5 Reserve Forces.

6 (a-5) The chief county assessment officer may, when
7 considering whether to grant a leasehold exemption under this
8 Section, require the conditions set forth in subsection (e) of
9 Section 15-175 to be met.

10 (b) In all counties, the reduction is \$5,000 for the
11 taxable year in which the veteran returns from active duty in
12 an armed conflict involving the armed forces of the United
13 States; however, if the veteran first acquires his or her
14 principal residence during the taxable year in which he or she
15 returns, but after January 1 of that year, and if the property
16 is owned and occupied by the veteran as a principal residence
17 on January 1 of the next taxable year, he or she may apply the
18 exemption for the next taxable year, and only the next taxable
19 year, after he or she returns. Beginning in taxable year 2010,
20 the reduction shall also be allowed for the taxable year after
21 the taxable year in which the veteran returns from active duty
22 in an armed conflict involving the armed forces of the United
23 States. For land improved with an apartment building owned and
24 operated as a cooperative, the maximum reduction from the value
25 of the property, as equalized by the Department, must be
26 multiplied by the number of apartments or units occupied by a

1 veteran returning from an armed conflict involving the armed
2 forces of the United States who is liable, by contract with the
3 owner or owners of record, for paying property taxes on the
4 property and is an owner of record of a legal or equitable
5 interest in the cooperative apartment building, other than a
6 leasehold interest. In a cooperative where a homestead
7 exemption has been granted, the cooperative association or the
8 management firm of the cooperative or facility shall credit the
9 savings resulting from that exemption only to the apportioned
10 tax liability of the owner or resident who qualified for the
11 exemption. Any person who willfully refuses to so credit the
12 savings is guilty of a Class B misdemeanor.

13 (c) Application must be made during the application period
14 in effect for the county of his or her residence. The assessor
15 or chief county assessment officer may determine the
16 eligibility of residential property to receive the homestead
17 exemption provided by this Section by application, visual
18 inspection, questionnaire, or other reasonable methods. The
19 determination must be made in accordance with guidelines
20 established by the Department.

21 (d) The exemption under this Section is in addition to any
22 other homestead exemption provided in this Article 15.
23 Notwithstanding Sections 6 and 8 of the State Mandates Act, no
24 reimbursement by the State is required for the implementation
25 of any mandate created by this Section.

26 (Source: P.A. 96-1288, eff. 7-26-10; 96-1418, eff. 8-2-10;

1 97-333, eff. 8-12-11.)

2 (35 ILCS 200/15-168)

3 Sec. 15-168. Homestead exemption for persons with
4 disabilities.

5 (a) Beginning with taxable year 2007, an annual homestead
6 exemption is granted to persons with disabilities in the amount
7 of \$2,000, except as provided in subsection (c), to be deducted
8 from the property's value as equalized or assessed by the
9 Department of Revenue. The person with a disability shall
10 receive the homestead exemption upon meeting the following
11 requirements:

12 (1) The property must be occupied as the primary
13 residence by the person with a disability.

14 (2) The person with a disability must be liable for
15 paying the real estate taxes on the property.

16 (3) The person with a disability must be an owner of
17 record of the property or have a legal or equitable
18 interest in the property as evidenced by a written
19 instrument. In the case of a leasehold interest in
20 property, the lease must be for a single family residence.

21 The chief county assessment officer may, when considering
22 whether to grant a leasehold exemption under this Section,
23 require the conditions set forth in subsection (e) of Section
24 15-175 to be met.

25 A person who has a disability during the taxable year is

1 eligible to apply for this homestead exemption during that
2 taxable year. Application must be made during the application
3 period in effect for the county of residence. If a homestead
4 exemption has been granted under this Section and the person
5 awarded the exemption subsequently becomes a resident of a
6 facility licensed under the Nursing Home Care Act, the
7 Specialized Mental Health Rehabilitation Act of 2013, the ID/DD
8 Community Care Act, or the MC/DD Act, then the exemption shall
9 continue (i) so long as the residence continues to be occupied
10 by the qualifying person's spouse or (ii) if the residence
11 remains unoccupied but is still owned by the person qualified
12 for the homestead exemption.

13 (b) For the purposes of this Section, "person with a
14 disability" means a person unable to engage in any substantial
15 gainful activity by reason of a medically determinable physical
16 or mental impairment which can be expected to result in death
17 or has lasted or can be expected to last for a continuous
18 period of not less than 12 months. Persons with disabilities
19 filing claims under this Act shall submit proof of disability
20 in such form and manner as the Department shall by rule and
21 regulation prescribe. Proof that a claimant is eligible to
22 receive disability benefits under the Federal Social Security
23 Act shall constitute proof of disability for purposes of this
24 Act. Issuance of an Illinois Person with a Disability
25 Identification Card stating that the claimant is under a Class
26 2 disability, as defined in Section 4A of the Illinois

1 Identification Card Act, shall constitute proof that the person
2 named thereon is a person with a disability for purposes of
3 this Act. A person with a disability not covered under the
4 Federal Social Security Act and not presenting an Illinois
5 Person with a Disability Identification Card stating that the
6 claimant is under a Class 2 disability shall be examined by a
7 physician designated by the Department, and his status as a
8 person with a disability determined using the same standards as
9 used by the Social Security Administration. The costs of any
10 required examination shall be borne by the claimant.

11 (c) For land improved with (i) an apartment building owned
12 and operated as a cooperative or (ii) a life care facility as
13 defined under Section 2 of the Life Care Facilities Act that is
14 considered to be a cooperative, the maximum reduction from the
15 value of the property, as equalized or assessed by the
16 Department, shall be multiplied by the number of apartments or
17 units occupied by a person with a disability. The person with a
18 disability shall receive the homestead exemption upon meeting
19 the following requirements:

20 (1) The property must be occupied as the primary
21 residence by the person with a disability.

22 (2) The person with a disability must be liable by
23 contract with the owner or owners of record for paying the
24 apportioned property taxes on the property of the
25 cooperative or life care facility. In the case of a life
26 care facility, the person with a disability must be liable

1 for paying the apportioned property taxes under a life care
2 contract as defined in Section 2 of the Life Care
3 Facilities Act.

4 (3) The person with a disability must be an owner of
5 record of a legal or equitable interest in the cooperative
6 apartment building. A leasehold interest does not meet this
7 requirement.

8 If a homestead exemption is granted under this subsection, the
9 cooperative association or management firm shall credit the
10 savings resulting from the exemption to the apportioned tax
11 liability of the qualifying person with a disability. The chief
12 county assessment officer may request reasonable proof that the
13 association or firm has properly credited the exemption. A
14 person who willfully refuses to credit an exemption to the
15 qualified person with a disability is guilty of a Class B
16 misdemeanor.

17 (d) The chief county assessment officer shall determine the
18 eligibility of property to receive the homestead exemption
19 according to guidelines established by the Department. After a
20 person has received an exemption under this Section, an annual
21 verification of eligibility for the exemption shall be mailed
22 to the taxpayer.

23 In counties with fewer than 3,000,000 inhabitants, the
24 chief county assessment officer shall provide to each person
25 granted a homestead exemption under this Section a form to
26 designate any other person to receive a duplicate of any notice

1 of delinquency in the payment of taxes assessed and levied
2 under this Code on the person's qualifying property. The
3 duplicate notice shall be in addition to the notice required to
4 be provided to the person receiving the exemption and shall be
5 given in the manner required by this Code. The person filing
6 the request for the duplicate notice shall pay an
7 administrative fee of \$5 to the chief county assessment
8 officer. The assessment officer shall then file the executed
9 designation with the county collector, who shall issue the
10 duplicate notices as indicated by the designation. A
11 designation may be rescinded by the person with a disability in
12 the manner required by the chief county assessment officer.

13 (e) A taxpayer who claims an exemption under Section 15-165
14 or 15-169 may not claim an exemption under this Section.

15 (Source: P.A. 98-104, eff. 7-22-13; 99-143, eff. 7-27-15;
16 99-180, eff. 7-29-15; revised 10-20-15.)

17 (35 ILCS 200/15-169)

18 Sec. 15-169. Homestead exemption for veterans with
19 disabilities.

20 (a) Beginning with taxable year 2007, an annual homestead
21 exemption, limited to the amounts set forth in subsections (b)
22 and (b-3), is granted for property that is used as a qualified
23 residence by a veteran with a disability.

24 (b) For taxable years prior to 2015, the amount of the
25 exemption under this Section is as follows:

1 (1) for veterans with a service-connected disability
2 of at least (i) 75% for exemptions granted in taxable years
3 2007 through 2009 and (ii) 70% for exemptions granted in
4 taxable year 2010 and each taxable year thereafter, as
5 certified by the United States Department of Veterans
6 Affairs, the annual exemption is \$5,000; and

7 (2) for veterans with a service-connected disability
8 of at least 50%, but less than (i) 75% for exemptions
9 granted in taxable years 2007 through 2009 and (ii) 70% for
10 exemptions granted in taxable year 2010 and each taxable
11 year thereafter, as certified by the United States
12 Department of Veterans Affairs, the annual exemption is
13 \$2,500.

14 (b-3) For taxable years 2015 and thereafter:

15 (1) if the veteran has a service connected disability
16 of 30% or more but less than 50%, as certified by the
17 United States Department of Veterans Affairs, then the
18 annual exemption is \$2,500;

19 (2) if the veteran has a service connected disability
20 of 50% or more but less than 70%, as certified by the
21 United States Department of Veterans Affairs, then the
22 annual exemption is \$5,000; and

23 (3) if the veteran has a service connected disability
24 of 70% or more, as certified by the United States
25 Department of Veterans Affairs, then the property is exempt
26 from taxation under this Code.

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

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

19 (c-1) Beginning with taxable year 2015, nothing in this
20 Section shall require the veteran to have qualified for or
21 obtained the exemption before death if the veteran was killed
22 in the line of duty.

23 (d) The exemption under this Section applies for taxable
24 year 2007 and thereafter. A taxpayer who claims an exemption
25 under Section 15-165 or 15-168 may not claim an exemption under
26 this Section.

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

11 (e-5) The chief county assessment officer may, when
12 considering whether to grant a leasehold exemption under this
13 Section, require the conditions set forth in subsection (e) of
14 Section 15-175 to be met.

15 (f) For the purposes of this Section:

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

22 "Veteran" means an Illinois resident who has served as a
23 member of the United States Armed Forces on active duty or
24 State active duty, a member of the Illinois National Guard, or
25 a member of the United States Reserve Forces and who has
26 received an honorable discharge.

1 (Source: P.A. 98-1145, eff. 12-30-14; 99-143, eff. 7-27-15;
2 99-375, eff. 8-17-15; revised 10-9-15.)

3 (35 ILCS 200/15-170)

4 Sec. 15-170. Senior Citizens Homestead Exemption. An
5 annual homestead exemption limited, except as described here
6 with relation to cooperatives or life care facilities, to a
7 maximum reduction set forth below from the property's value, as
8 equalized or assessed by the Department, is granted for
9 property that is occupied as a residence by a person 65 years
10 of age or older who is liable for paying real estate taxes on
11 the property and is an owner of record of the property or has a
12 legal or equitable interest therein as evidenced by a written
13 instrument, except for a leasehold interest, other than a
14 leasehold interest of land on which a single family residence
15 is located, which is occupied as a residence by a person 65
16 years or older who has an ownership interest therein, legal,
17 equitable or as a lessee, and on which he or she is liable for
18 the payment of property taxes. Before taxable year 2004, the
19 maximum reduction shall be \$2,500 in counties with 3,000,000 or
20 more inhabitants and \$2,000 in all other counties. For taxable
21 years 2004 through 2005, the maximum reduction shall be \$3,000
22 in all counties. For taxable years 2006 and 2007, the maximum
23 reduction shall be \$3,500. For taxable years 2008 through 2011,
24 the maximum reduction is \$4,000 in all counties. For taxable
25 year 2012, the maximum reduction is \$5,000 in counties with

1 3,000,000 or more inhabitants and \$4,000 in all other counties.
2 For taxable years 2013 and thereafter, the maximum reduction is
3 \$5,000 in all counties.

4 The chief county assessment officer may, when considering
5 whether to grant a leasehold exemption under this Section,
6 require the conditions set forth in subsection (e) of Section
7 15-175 to be met.

8 For land improved with an apartment building owned and
9 operated as a cooperative, the maximum reduction from the value
10 of the property, as equalized by the Department, shall be
11 multiplied by the number of apartments or units occupied by a
12 person 65 years of age or older who is liable, by contract with
13 the owner or owners of record, for paying property taxes on the
14 property and is an owner of record of a legal or equitable
15 interest in the cooperative apartment building, other than a
16 leasehold interest. For land improved with a life care
17 facility, the maximum reduction from the value of the property,
18 as equalized by the Department, shall be multiplied by the
19 number of apartments or units occupied by persons 65 years of
20 age or older, irrespective of any legal, equitable, or
21 leasehold interest in the facility, who are liable, under a
22 contract with the owner or owners of record of the facility,
23 for paying property taxes on the property. In a cooperative or
24 a life care facility where a homestead exemption has been
25 granted, the cooperative association or the management firm of
26 the cooperative or facility shall credit the savings resulting

1 from that exemption only to the apportioned tax liability of
2 the owner or resident who qualified for the exemption. Any
3 person who willfully refuses to so credit the savings shall be
4 guilty of a Class B misdemeanor. Under this Section and
5 Sections 15-175, 15-176, and 15-177, "life care facility" means
6 a facility, as defined in Section 2 of the Life Care Facilities
7 Act, with which the applicant for the homestead exemption has a
8 life care contract as defined in that Act.

9 When a homestead exemption has been granted under this
10 Section and the person qualifying subsequently becomes a
11 resident of a facility licensed under the Assisted Living and
12 Shared Housing Act, the Nursing Home Care Act, the Specialized
13 Mental Health Rehabilitation Act of 2013, the ID/DD Community
14 Care Act, or the MC/DD Act, the exemption shall continue so
15 long as the residence continues to be occupied by the
16 qualifying person's spouse if the spouse is 65 years of age or
17 older, or if the residence remains unoccupied but is still
18 owned by the person qualified for the homestead exemption.

19 A person who will be 65 years of age during the current
20 assessment year shall be eligible to apply for the homestead
21 exemption during that assessment year. Application shall be
22 made during the application period in effect for the county of
23 his residence.

24 Beginning with assessment year 2003, for taxes payable in
25 2004, property that is first occupied as a residence after
26 January 1 of any assessment year by a person who is eligible

1 for the senior citizens homestead exemption under this Section
2 must be granted a pro-rata exemption for the assessment year.
3 The amount of the pro-rata exemption is the exemption allowed
4 in the county under this Section divided by 365 and multiplied
5 by the number of days during the assessment year the property
6 is occupied as a residence by a person eligible for the
7 exemption under this Section. The chief county assessment
8 officer must adopt reasonable procedures to establish
9 eligibility for this pro-rata exemption.

10 The assessor or chief county assessment officer may
11 determine the eligibility of a life care facility to receive
12 the benefits provided by this Section, by affidavit,
13 application, visual inspection, questionnaire or other
14 reasonable methods in order to insure that the tax savings
15 resulting from the exemption are credited by the management
16 firm to the apportioned tax liability of each qualifying
17 resident. The assessor may request reasonable proof that the
18 management firm has so credited the exemption.

19 The chief county assessment officer of each county with
20 less than 3,000,000 inhabitants shall provide to each person
21 allowed a homestead exemption under this Section a form to
22 designate any other person to receive a duplicate of any notice
23 of delinquency in the payment of taxes assessed and levied
24 under this Code on the property of the person receiving the
25 exemption. The duplicate notice shall be in addition to the
26 notice required to be provided to the person receiving the

1 exemption, and shall be given in the manner required by this
2 Code. The person filing the request for the duplicate notice
3 shall pay a fee of \$5 to cover administrative costs to the
4 supervisor of assessments, who shall then file the executed
5 designation with the county collector. Notwithstanding any
6 other provision of this Code to the contrary, the filing of
7 such an executed designation requires the county collector to
8 provide duplicate notices as indicated by the designation. A
9 designation may be rescinded by the person who executed such
10 designation at any time, in the manner and form required by the
11 chief county assessment officer.

12 The assessor or chief county assessment officer may
13 determine the eligibility of residential property to receive
14 the homestead exemption provided by this Section by
15 application, visual inspection, questionnaire or other
16 reasonable methods. The determination shall be made in
17 accordance with guidelines established by the Department.

18 In counties with 3,000,000 or more inhabitants, beginning
19 in taxable year 2010, each taxpayer who has been granted an
20 exemption under this Section must reapply on an annual basis.
21 The chief county assessment officer shall mail the application
22 to the taxpayer. In counties with less than 3,000,000
23 inhabitants, the county board may by resolution provide that if
24 a person has been granted a homestead exemption under this
25 Section, the person qualifying need not reapply for the
26 exemption.

1 In counties with less than 3,000,000 inhabitants, if the
2 assessor or chief county assessment officer requires annual
3 application for verification of eligibility for an exemption
4 once granted under this Section, the application shall be
5 mailed to the taxpayer.

6 The assessor or chief county assessment officer shall
7 notify each person who qualifies for an exemption under this
8 Section that the person may also qualify for deferral of real
9 estate taxes under the Senior Citizens Real Estate Tax Deferral
10 Act. The notice shall set forth the qualifications needed for
11 deferral of real estate taxes, the address and telephone number
12 of county collector, and a statement that applications for
13 deferral of real estate taxes may be obtained from the county
14 collector.

15 Notwithstanding Sections 6 and 8 of the State Mandates Act,
16 no reimbursement by the State is required for the
17 implementation of any mandate created by this Section.

18 (Source: P.A. 98-7, eff. 4-23-13; 98-104, eff. 7-22-13; 98-756,
19 eff. 7-16-14; 99-180, eff. 7-29-15.)

20 (35 ILCS 200/15-172)

21 Sec. 15-172. Senior Citizens Assessment Freeze Homestead
22 Exemption.

23 (a) This Section may be cited as the Senior Citizens
24 Assessment Freeze Homestead Exemption.

25 (b) As used in this Section:

1 "Applicant" means an individual who has filed an
2 application under this Section.

3 "Base amount" means the base year equalized assessed value
4 of the residence plus the first year's equalized assessed value
5 of any added improvements which increased the assessed value of
6 the residence after the base year.

7 "Base year" means the taxable year prior to the taxable
8 year for which the applicant first qualifies and applies for
9 the exemption provided that in the prior taxable year the
10 property was improved with a permanent structure that was
11 occupied as a residence by the applicant who was liable for
12 paying real property taxes on the property and who was either
13 (i) an owner of record of the property or had legal or
14 equitable interest in the property as evidenced by a written
15 instrument or (ii) had a legal or equitable interest as a
16 lessee in the parcel of property that was single family
17 residence. If in any subsequent taxable year for which the
18 applicant applies and qualifies for the exemption the equalized
19 assessed value of the residence is less than the equalized
20 assessed value in the existing base year (provided that such
21 equalized assessed value is not based on an assessed value that
22 results from a temporary irregularity in the property that
23 reduces the assessed value for one or more taxable years), then
24 that subsequent taxable year shall become the base year until a
25 new base year is established under the terms of this paragraph.
26 For taxable year 1999 only, the Chief County Assessment Officer

1 shall review (i) all taxable years for which the applicant
2 applied and qualified for the exemption and (ii) the existing
3 base year. The assessment officer shall select as the new base
4 year the year with the lowest equalized assessed value. An
5 equalized assessed value that is based on an assessed value
6 that results from a temporary irregularity in the property that
7 reduces the assessed value for one or more taxable years shall
8 not be considered the lowest equalized assessed value. The
9 selected year shall be the base year for taxable year 1999 and
10 thereafter until a new base year is established under the terms
11 of this paragraph.

12 "Chief County Assessment Officer" means the County
13 Assessor or Supervisor of Assessments of the county in which
14 the property is located.

15 "Equalized assessed value" means the assessed value as
16 equalized by the Illinois Department of Revenue.

17 "Household" means the applicant, the spouse of the
18 applicant, and all persons using the residence of the applicant
19 as their principal place of residence.

20 "Household income" means the combined income of the members
21 of a household for the calendar year preceding the taxable
22 year.

23 "Income" has the same meaning as provided in Section 3.07
24 of the Senior Citizens and Persons with Disabilities Property
25 Tax Relief Act, except that, beginning in assessment year 2001,
26 "income" does not include veteran's benefits.

1 "Internal Revenue Code of 1986" means the United States
2 Internal Revenue Code of 1986 or any successor law or laws
3 relating to federal income taxes in effect for the year
4 preceding the taxable year.

5 "Life care facility that qualifies as a cooperative" means
6 a facility as defined in Section 2 of the Life Care Facilities
7 Act.

8 "Maximum income limitation" means:

- 9 (1) \$35,000 prior to taxable year 1999;
- 10 (2) \$40,000 in taxable years 1999 through 2003;
- 11 (3) \$45,000 in taxable years 2004 through 2005;
- 12 (4) \$50,000 in taxable years 2006 and 2007; and
- 13 (5) \$55,000 in taxable year 2008 and thereafter.

14 "Residence" means the principal dwelling place and
15 appurtenant structures used for residential purposes in this
16 State occupied on January 1 of the taxable year by a household
17 and so much of the surrounding land, constituting the parcel
18 upon which the dwelling place is situated, as is used for
19 residential purposes. If the Chief County Assessment Officer
20 has established a specific legal description for a portion of
21 property constituting the residence, then that portion of
22 property shall be deemed the residence for the purposes of this
23 Section.

24 "Taxable year" means the calendar year during which ad
25 valorem property taxes payable in the next succeeding year are
26 levied.

1 (c) Beginning in taxable year 1994, a senior citizens
2 assessment freeze homestead exemption is granted for real
3 property that is improved with a permanent structure that is
4 occupied as a residence by an applicant who (i) is 65 years of
5 age or older during the taxable year, (ii) has a household
6 income that does not exceed the maximum income limitation,
7 (iii) is liable for paying real property taxes on the property,
8 and (iv) is an owner of record of the property or has a legal or
9 equitable interest in the property as evidenced by a written
10 instrument. This homestead exemption shall also apply to a
11 leasehold interest in a parcel of property improved with a
12 permanent structure that is a single family residence that is
13 occupied as a residence by a person who (i) is 65 years of age
14 or older during the taxable year, (ii) has a household income
15 that does not exceed the maximum income limitation, (iii) has a
16 legal or equitable ownership interest in the property as
17 lessee, and (iv) is liable for the payment of real property
18 taxes on that property.

19 The chief county assessment officer may, when considering
20 whether to grant a leasehold exemption under this Section,
21 require the conditions set forth in subsection (e) of Section
22 15-175 to be met.

23 In counties of 3,000,000 or more inhabitants, the amount of
24 the exemption for all taxable years is the equalized assessed
25 value of the residence in the taxable year for which
26 application is made minus the base amount. In all other

1 counties, the amount of the exemption is as follows: (i)
2 through taxable year 2005 and for taxable year 2007 and
3 thereafter, the amount of this exemption shall be the equalized
4 assessed value of the residence in the taxable year for which
5 application is made minus the base amount; and (ii) for taxable
6 year 2006, the amount of the exemption is as follows:

7 (1) For an applicant who has a household income of
8 \$45,000 or less, the amount of the exemption is the
9 equalized assessed value of the residence in the taxable
10 year for which application is made minus the base amount.

11 (2) For an applicant who has a household income
12 exceeding \$45,000 but not exceeding \$46,250, the amount of
13 the exemption is (i) the equalized assessed value of the
14 residence in the taxable year for which application is made
15 minus the base amount (ii) multiplied by 0.8.

16 (3) For an applicant who has a household income
17 exceeding \$46,250 but not exceeding \$47,500, the amount of
18 the exemption is (i) the equalized assessed value of the
19 residence in the taxable year for which application is made
20 minus the base amount (ii) multiplied by 0.6.

21 (4) For an applicant who has a household income
22 exceeding \$47,500 but not exceeding \$48,750, the amount of
23 the exemption is (i) the equalized assessed value of the
24 residence in the taxable year for which application is made
25 minus the base amount (ii) multiplied by 0.4.

26 (5) For an applicant who has a household income

1 exceeding \$48,750 but not exceeding \$50,000, the amount of
2 the exemption is (i) the equalized assessed value of the
3 residence in the taxable year for which application is made
4 minus the base amount (ii) multiplied by 0.2.

5 When the applicant is a surviving spouse of an applicant
6 for a prior year for the same residence for which an exemption
7 under this Section has been granted, the base year and base
8 amount for that residence are the same as for the applicant for
9 the prior year.

10 Each year at the time the assessment books are certified to
11 the County Clerk, the Board of Review or Board of Appeals shall
12 give to the County Clerk a list of the assessed values of
13 improvements on each parcel qualifying for this exemption that
14 were added after the base year for this parcel and that
15 increased the assessed value of the property.

16 In the case of land improved with an apartment building
17 owned and operated as a cooperative or a building that is a
18 life care facility that qualifies as a cooperative, the maximum
19 reduction from the equalized assessed value of the property is
20 limited to the sum of the reductions calculated for each unit
21 occupied as a residence by a person or persons (i) 65 years of
22 age or older, (ii) with a household income that does not exceed
23 the maximum income limitation, (iii) who is liable, by contract
24 with the owner or owners of record, for paying real property
25 taxes on the property, and (iv) who is an owner of record of a
26 legal or equitable interest in the cooperative apartment

1 building, other than a leasehold interest. In the instance of a
2 cooperative where a homestead exemption has been granted under
3 this Section, the cooperative association or its management
4 firm shall credit the savings resulting from that exemption
5 only to the apportioned tax liability of the owner who
6 qualified for the exemption. Any person who willfully refuses
7 to credit that savings to an owner who qualifies for the
8 exemption is guilty of a Class B misdemeanor.

9 When a homestead exemption has been granted under this
10 Section and an applicant then becomes a resident of a facility
11 licensed under the Assisted Living and Shared Housing Act, the
12 Nursing Home Care Act, the Specialized Mental Health
13 Rehabilitation Act of 2013, the ID/DD Community Care Act, or
14 the MC/DD Act, the exemption shall be granted in subsequent
15 years so long as the residence (i) continues to be occupied by
16 the qualified applicant's spouse or (ii) if remaining
17 unoccupied, is still owned by the qualified applicant for the
18 homestead exemption.

19 Beginning January 1, 1997, when an individual dies who
20 would have qualified for an exemption under this Section, and
21 the surviving spouse does not independently qualify for this
22 exemption because of age, the exemption under this Section
23 shall be granted to the surviving spouse for the taxable year
24 preceding and the taxable year of the death, provided that,
25 except for age, the surviving spouse meets all other
26 qualifications for the granting of this exemption for those

1 years.

2 When married persons maintain separate residences, the
3 exemption provided for in this Section may be claimed by only
4 one of such persons and for only one residence.

5 For taxable year 1994 only, in counties having less than
6 3,000,000 inhabitants, to receive the exemption, a person shall
7 submit an application by February 15, 1995 to the Chief County
8 Assessment Officer of the county in which the property is
9 located. In counties having 3,000,000 or more inhabitants, for
10 taxable year 1994 and all subsequent taxable years, to receive
11 the exemption, a person may submit an application to the Chief
12 County Assessment Officer of the county in which the property
13 is located during such period as may be specified by the Chief
14 County Assessment Officer. The Chief County Assessment Officer
15 in counties of 3,000,000 or more inhabitants shall annually
16 give notice of the application period by mail or by
17 publication. In counties having less than 3,000,000
18 inhabitants, beginning with taxable year 1995 and thereafter,
19 to receive the exemption, a person shall submit an application
20 by July 1 of each taxable year to the Chief County Assessment
21 Officer of the county in which the property is located. A
22 county may, by ordinance, establish a date for submission of
23 applications that is different than July 1. The applicant shall
24 submit with the application an affidavit of the applicant's
25 total household income, age, marital status (and if married the
26 name and address of the applicant's spouse, if known), and

1 principal dwelling place of members of the household on January
2 1 of the taxable year. The Department shall establish, by rule,
3 a method for verifying the accuracy of affidavits filed by
4 applicants under this Section, and the Chief County Assessment
5 Officer may conduct audits of any taxpayer claiming an
6 exemption under this Section to verify that the taxpayer is
7 eligible to receive the exemption. Each application shall
8 contain or be verified by a written declaration that it is made
9 under the penalties of perjury. A taxpayer's signing a
10 fraudulent application under this Act is perjury, as defined in
11 Section 32-2 of the Criminal Code of 2012. The applications
12 shall be clearly marked as applications for the Senior Citizens
13 Assessment Freeze Homestead Exemption and must contain a notice
14 that any taxpayer who receives the exemption is subject to an
15 audit by the Chief County Assessment Officer.

16 Notwithstanding any other provision to the contrary, in
17 counties having fewer than 3,000,000 inhabitants, if an
18 applicant fails to file the application required by this
19 Section in a timely manner and this failure to file is due to a
20 mental or physical condition sufficiently severe so as to
21 render the applicant incapable of filing the application in a
22 timely manner, the Chief County Assessment Officer may extend
23 the filing deadline for a period of 30 days after the applicant
24 regains the capability to file the application, but in no case
25 may the filing deadline be extended beyond 3 months of the
26 original filing deadline. In order to receive the extension

1 provided in this paragraph, the applicant shall provide the
2 Chief County Assessment Officer with a signed statement from
3 the applicant's physician stating the nature and extent of the
4 condition, that, in the physician's opinion, the condition was
5 so severe that it rendered the applicant incapable of filing
6 the application in a timely manner, and the date on which the
7 applicant regained the capability to file the application.

8 Beginning January 1, 1998, notwithstanding any other
9 provision to the contrary, in counties having fewer than
10 3,000,000 inhabitants, if an applicant fails to file the
11 application required by this Section in a timely manner and
12 this failure to file is due to a mental or physical condition
13 sufficiently severe so as to render the applicant incapable of
14 filing the application in a timely manner, the Chief County
15 Assessment Officer may extend the filing deadline for a period
16 of 3 months. In order to receive the extension provided in this
17 paragraph, the applicant shall provide the Chief County
18 Assessment Officer with a signed statement from the applicant's
19 physician stating the nature and extent of the condition, and
20 that, in the physician's opinion, the condition was so severe
21 that it rendered the applicant incapable of filing the
22 application in a timely manner.

23 In counties having less than 3,000,000 inhabitants, if an
24 applicant was denied an exemption in taxable year 1994 and the
25 denial occurred due to an error on the part of an assessment
26 official, or his or her agent or employee, then beginning in

1 taxable year 1997 the applicant's base year, for purposes of
2 determining the amount of the exemption, shall be 1993 rather
3 than 1994. In addition, in taxable year 1997, the applicant's
4 exemption shall also include an amount equal to (i) the amount
5 of any exemption denied to the applicant in taxable year 1995
6 as a result of using 1994, rather than 1993, as the base year,
7 (ii) the amount of any exemption denied to the applicant in
8 taxable year 1996 as a result of using 1994, rather than 1993,
9 as the base year, and (iii) the amount of the exemption
10 erroneously denied for taxable year 1994.

11 For purposes of this Section, a person who will be 65 years
12 of age during the current taxable year shall be eligible to
13 apply for the homestead exemption during that taxable year.
14 Application shall be made during the application period in
15 effect for the county of his or her residence.

16 The Chief County Assessment Officer may determine the
17 eligibility of a life care facility that qualifies as a
18 cooperative to receive the benefits provided by this Section by
19 use of an affidavit, application, visual inspection,
20 questionnaire, or other reasonable method in order to insure
21 that the tax savings resulting from the exemption are credited
22 by the management firm to the apportioned tax liability of each
23 qualifying resident. The Chief County Assessment Officer may
24 request reasonable proof that the management firm has so
25 credited that exemption.

26 Except as provided in this Section, all information

1 received by the chief county assessment officer or the
2 Department from applications filed under this Section, or from
3 any investigation conducted under the provisions of this
4 Section, shall be confidential, except for official purposes or
5 pursuant to official procedures for collection of any State or
6 local tax or enforcement of any civil or criminal penalty or
7 sanction imposed by this Act or by any statute or ordinance
8 imposing a State or local tax. Any person who divulges any such
9 information in any manner, except in accordance with a proper
10 judicial order, is guilty of a Class A misdemeanor.

11 Nothing contained in this Section shall prevent the
12 Director or chief county assessment officer from publishing or
13 making available reasonable statistics concerning the
14 operation of the exemption contained in this Section in which
15 the contents of claims are grouped into aggregates in such a
16 way that information contained in any individual claim shall
17 not be disclosed.

18 (d) Each Chief County Assessment Officer shall annually
19 publish a notice of availability of the exemption provided
20 under this Section. The notice shall be published at least 60
21 days but no more than 75 days prior to the date on which the
22 application must be submitted to the Chief County Assessment
23 Officer of the county in which the property is located. The
24 notice shall appear in a newspaper of general circulation in
25 the county.

26 Notwithstanding Sections 6 and 8 of the State Mandates Act,

1 no reimbursement by the State is required for the
2 implementation of any mandate created by this Section.

3 (Source: P.A. 98-104, eff. 7-22-13; 99-143, eff. 7-27-15;
4 99-180, eff. 7-29-15; revised 10-21-15.)

5 (35 ILCS 200/15-175)

6 Sec. 15-175. General homestead exemption.

7 (a) Except as provided in Sections 15-176 and 15-177,
8 homestead property is entitled to an annual homestead exemption
9 limited, except as described here with relation to
10 cooperatives, to a reduction in the equalized assessed value of
11 homestead property equal to the increase in equalized assessed
12 value for the current assessment year above the equalized
13 assessed value of the property for 1977, up to the maximum
14 reduction set forth below. If however, the 1977 equalized
15 assessed value upon which taxes were paid is subsequently
16 determined by local assessing officials, the Property Tax
17 Appeal Board, or a court to have been excessive, the equalized
18 assessed value which should have been placed on the property
19 for 1977 shall be used to determine the amount of the
20 exemption.

21 (b) Except as provided in Section 15-176, the maximum
22 reduction before taxable year 2004 shall be \$4,500 in counties
23 with 3,000,000 or more inhabitants and \$3,500 in all other
24 counties. Except as provided in Sections 15-176 and 15-177, for
25 taxable years 2004 through 2007, the maximum reduction shall be

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

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

23 (d) If in any assessment year beginning with the 2000
24 assessment year, homestead property has a pro-rata valuation
25 under Section 9-180 resulting in an increase in the assessed
26 valuation, a reduction in equalized assessed valuation equal to

1 the increase in equalized assessed value of the property for
2 the year of the pro-rata valuation above the equalized assessed
3 value of the property for 1977 shall be applied to the property
4 on a proportionate basis for the period the property qualified
5 as homestead property during the assessment year. The maximum
6 proportionate homestead exemption shall not exceed the maximum
7 homestead exemption allowed in the county under this Section
8 divided by 365 and multiplied by the number of days the
9 property qualified as homestead property.

10 (e) The chief county assessment officer may, when granting
11 ~~considering whether to grant~~ a leasehold exemption under this
12 Section, Section 15-167, Section 15-168, Section 15-169,
13 Section 15-170, or Section 15-172 require the following
14 conditions to be met:

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

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

23 (3) that the lease must expressly state that the lessee
24 is liable for the payment of property taxes; however, the
25 payment of property taxes by the lessee to the county
26 collector shall not be a requirement; and

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

3 "Lessee shall be liable for the payment of property
4 ~~real estate~~ taxes with respect to the residence in
5 accordance with the terms and conditions of Section
6 15-167, Section 15-168, Section 15-169, Section
7 15-170, Section 15-172, and Section 15-175 of the
8 Property Tax Code (35 ILCS 200/15-167; 35 ILCS
9 200/15-168; 35 ILCS 200/15-169; 35 ILCS 200/15-170; 35
10 ILCS 200/15-172; and 35 ILCS 200/15-175), as

11 applicable. The permanent real estate index number for
12 the premises is (insert number), and, according to the
13 most recent property tax bill, the current amount of
14 property ~~real estate~~ taxes associated with the
15 premises is (insert amount) per year. The parties agree
16 that the monthly rent set forth above shall be
17 increased or decreased pro rata (effective January 1 of
18 each calendar year) to reflect any increase or decrease
19 in property ~~real estate~~ taxes. Lessee shall be deemed
20 to be satisfying Lessee's liability for the above
21 mentioned property ~~real estate~~ taxes with the monthly
22 rent payments as set forth above (or increased or
23 decreased as set forth herein).".

24 In addition, if there is a change in lessee, or if the
25 lessee vacates the property, then the chief county assessment
26 officer may require the owner of the property to notify the

1 chief county assessment officer of that change.

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

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

25 "Household", as used in this Section, means the owner, the
26 spouse of the owner, and all persons using the residence of the

1 owner as their principal place of residence.

2 "Household income", as used in this Section, means the
3 combined income of the members of a household for the calendar
4 year preceding the taxable year.

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

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

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

19 (i) In all counties, the assessor or chief county
20 assessment officer may determine the eligibility of
21 residential property to receive the homestead exemption and the
22 amount of the exemption by application, visual inspection,
23 questionnaire or other reasonable methods. The determination
24 shall be made in accordance with guidelines established by the
25 Department, provided that the taxpayer applying for an
26 additional general exemption under this Section shall submit to

1 the chief county assessment officer an application with an
2 affidavit of the applicant's total household income, age,
3 marital status (and, if married, the name and address of the
4 applicant's spouse, if known), and principal dwelling place of
5 members of the household on January 1 of the taxable year. The
6 Department shall issue guidelines establishing a method for
7 verifying the accuracy of the affidavits filed by applicants
8 under this paragraph. The applications shall be clearly marked
9 as applications for the Additional General Homestead
10 Exemption.

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

1 (j) In counties with fewer than 3,000,000 inhabitants, in
2 the event of a sale of homestead property the homestead
3 exemption shall remain in effect for the remainder of the
4 assessment year of the sale. The assessor or chief county
5 assessment officer may require the new owner of the property to
6 apply for the homestead exemption for the following assessment
7 year.

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

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

13 Section 99. Effective date. This Act takes effect upon
14 becoming law.