

1 AN ACT concerning taxes.

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 15-175 as follows:

6 (35 ILCS 200/15-175)

7 Sec. 15-175. General homestead exemption. Homestead
8 property is entitled to an annual homestead exemption
9 limited, except as described in this Section here with
10 relation to cooperatives, to a reduction in the equalized
11 assessed value of homestead property equal to the increase in
12 equalized assessed value for the current assessment year
13 above the equalized assessed value of the property for 1977,
14 up to the maximum reduction set forth below. If however, the
15 1977 equalized assessed value upon which taxes were paid is
16 subsequently determined by local assessing officials, the
17 Property Tax Appeal Board, or a court to have been excessive,
18 the equalized assessed value which should have been placed on
19 the property for 1977 shall be used to determine the amount
20 of the exemption.

21 The maximum reduction shall be \$4,500 in counties with
22 3,000,000 or more inhabitants and \$3,500 in all other
23 counties.

24 In counties with fewer than 3,000,000 inhabitants, if,
25 based on the most recent assessment, the equalized assessed
26 value of the homestead property for the current assessment
27 year is greater than the equalized assessed value of the
28 property for 1977, the owner of the property shall
29 automatically receive the exemption granted under this
30 Section in an amount equal to the increase over the 1977
31 assessment up to the maximum reduction set forth in this

1 Section.

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

16 "Homestead property" under this Section includes
17 residential property that is occupied by its owner or owners
18 as his or their principal dwelling place, or that is a
19 leasehold interest on which a single family residence is
20 situated, which is occupied as a residence by a person who
21 has an ownership interest therein, legal or equitable or as a
22 lessee, and on which the person is liable for the payment of
23 property taxes. For land improved with an apartment building
24 owned and operated as a cooperative or a building which is a
25 life care facility as defined in Section 15-170 and
26 considered to be a cooperative under Section 15-170, the
27 maximum reduction from the equalized assessed value shall be
28 limited to the increase in the value above the equalized
29 assessed value of the property for 1977, up to the maximum
30 reduction set forth above, multiplied by the number of
31 apartments or units occupied by a person or persons who is
32 liable, by contract with the owner or owners of record, for
33 paying property taxes on the property and is an owner of
34 record of a legal or equitable interest in the cooperative

1 apartment building, other than a leasehold interest. For
2 purposes of this Section, the term "life care facility" has
3 the meaning stated in Section 15-170.

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

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

14 In counties with more than 3,000,000 inhabitants, the
15 assessor or chief county assessment officer may determine the
16 eligibility of residential property to receive the homestead
17 exemption by application, visual inspection, questionnaire or
18 other reasonable methods. The determination shall be made in
19 accordance with guidelines established by the Department. In
20 counties with fewer than 3,000,000 inhabitants, in the event
21 of a sale of homestead property the homestead exemption shall
22 remain in effect for the remainder of the assessment year of
23 the sale. The assessor or chief county assessment officer
24 may require the new owner of the property to apply for the
25 homestead exemption for the following assessment year.

26 (Source: P.A. 90-368, eff. 1-1-98; 90-552, eff. 12-12-97;
27 90-655, eff. 7-30-98; 91-346, eff. 7-29-99.)