

AN ACT concerning revenue.

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

Section 5. The Property Tax Code is amended by changing Section 18-165 as follows:

(35 ILCS 200/18-165)

Sec. 18-165. Abatement of taxes.

(a) Any taxing district, upon a majority vote of its governing authority, may, after the determination of the assessed valuation of its property, order the clerk of that county to abate any portion of its taxes on the following types of property:

(1) Commercial and industrial.

(A) The property of any commercial or industrial firm, including but not limited to the property of (i) any firm that is used for collecting, separating, storing, or processing recyclable materials, locating within the taxing district during the immediately preceding year from another state, territory, or country, or having been newly created within this State during the immediately preceding year, or expanding an existing facility, or (ii) any firm that is used for the generation and transmission of electricity

locating within the taxing district during the immediately preceding year or expanding its presence within the taxing district during the immediately preceding year by construction of a new electric generating facility that uses natural gas as its fuel, or any firm that is used for production operations at a new, expanded, or reopened coal mine within the taxing district, that has been certified as a High Impact Business by the Illinois Department of Commerce and Economic Opportunity. The property of any firm used for the generation and transmission of electricity shall include all property of the firm used for transmission facilities as defined in Section 5.5 of the Illinois Enterprise Zone Act. The abatement shall not exceed a period of 10 years and the aggregate amount of abated taxes for all taxing districts combined shall not exceed \$4,000,000.

(A-5) Any property in the taxing district of a new electric generating facility, as defined in Section 605-332 of the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois. The abatement shall not exceed a period of 10 years. The abatement shall be subject to the following limitations:

(i) if the equalized assessed valuation of the new electric generating facility is equal to or

greater than \$25,000,000 but less than \$50,000,000, then the abatement may not exceed (i) over the entire term of the abatement, 5% of the taxing district's aggregate taxes from the new electric generating facility and (ii) in any one year of abatement, 20% of the taxing district's taxes from the new electric generating facility;

(ii) if the equalized assessed valuation of the new electric generating facility is equal to or greater than \$50,000,000 but less than \$75,000,000, then the abatement may not exceed (i) over the entire term of the abatement, 10% of the taxing district's aggregate taxes from the new electric generating facility and (ii) in any one year of abatement, 35% of the taxing district's taxes from the new electric generating facility;

(iii) if the equalized assessed valuation of the new electric generating facility is equal to or greater than \$75,000,000 but less than \$100,000,000, then the abatement may not exceed (i) over the entire term of the abatement, 20% of the taxing district's aggregate taxes from the new electric generating facility and (ii) in any one year of abatement, 50% of the taxing district's taxes from the new electric generating facility;

(iv) if the equalized assessed valuation of

the new electric generating facility is equal to or greater than \$100,000,000 but less than \$125,000,000, then the abatement may not exceed (i) over the entire term of the abatement, 30% of the taxing district's aggregate taxes from the new electric generating facility and (ii) in any one year of abatement, 60% of the taxing district's taxes from the new electric generating facility;

(v) if the equalized assessed valuation of the new electric generating facility is equal to or greater than \$125,000,000 but less than \$150,000,000, then the abatement may not exceed (i) over the entire term of the abatement, 40% of the taxing district's aggregate taxes from the new electric generating facility and (ii) in any one year of abatement, 60% of the taxing district's taxes from the new electric generating facility;

(vi) if the equalized assessed valuation of the new electric generating facility is equal to or greater than \$150,000,000, then the abatement may not exceed (i) over the entire term of the abatement, 50% of the taxing district's aggregate taxes from the new electric generating facility and (ii) in any one year of abatement, 60% of the taxing district's taxes from the new electric generating facility.

The abatement is not effective unless the owner of the new electric generating facility agrees to repay to the taxing district all amounts previously abated, together with interest computed at the rate and in the manner provided for delinquent taxes, in the event that the owner of the new electric generating facility closes the new electric generating facility before the expiration of the entire term of the abatement.

The authorization of taxing districts to abate taxes under this subdivision (a) (1) (A-5) expires on January 1, 2010.

(B) The property of any commercial or industrial development of at least 500 acres having been created within the taxing district. The abatement shall not exceed a period of 20 years and the aggregate amount of abated taxes for all taxing districts combined shall not exceed \$12,000,000.

(C) The property of any commercial or industrial firm currently located in the taxing district that expands a facility or its number of employees. The abatement shall not exceed a period of 10 years and the aggregate amount of abated taxes for all taxing districts combined shall not exceed \$4,000,000. The abatement period may be renewed at the option of the taxing districts.

(2) Horse racing. Any property in the taxing district

which is used for the racing of horses and upon which capital improvements consisting of expansion, improvement or replacement of existing facilities have been made since July 1, 1987. The combined abatements for such property from all taxing districts in any county shall not exceed \$5,000,000 annually and shall not exceed a period of 10 years.

(3) Auto racing. Any property designed exclusively for the racing of motor vehicles. Such abatement shall not exceed a period of 10 years.

(4) Academic or research institute. The property of any academic or research institute in the taxing district that (i) is an exempt organization under paragraph (3) of Section 501(c) of the Internal Revenue Code, (ii) operates for the benefit of the public by actually and exclusively performing scientific research and making the results of the research available to the interested public on a non-discriminatory basis, and (iii) employs more than 100 employees. An abatement granted under this paragraph shall be for at least 15 years and the aggregate amount of abated taxes for all taxing districts combined shall not exceed \$5,000,000.

(5) Housing for older persons. Any property in the taxing district that is devoted exclusively to affordable housing for older households. For purposes of this paragraph, "older households" means those households (i)

living in housing provided under any State or federal program that the Department of Human Rights determines is specifically designed and operated to assist elderly persons and is solely occupied by persons 55 years of age or older and (ii) whose annual income does not exceed 80% of the area gross median income, adjusted for family size, as such gross income and median income are determined from time to time by the United States Department of Housing and Urban Development. The abatement shall not exceed a period of 15 years, and the aggregate amount of abated taxes for all taxing districts shall not exceed \$3,000,000.

(6) Historical society. For assessment years 1998 through 2013 ~~2008~~, the property of an historical society qualifying as an exempt organization under Section 501(c)(3) of the federal Internal Revenue Code.

(7) Recreational facilities. Any property in the taxing district (i) that is used for a municipal airport, (ii) that is subject to a leasehold assessment under Section 9-195 of this Code and (iii) which is sublet from a park district that is leasing the property from a municipality, but only if the property is used exclusively for recreational facilities or for parking lots used exclusively for those facilities. The abatement shall not exceed a period of 10 years.

(8) Relocated corporate headquarters. If approval occurs within 5 years after the effective date of this

amendatory Act of the 92nd General Assembly, any property or a portion of any property in a taxing district that is used by an eligible business for a corporate headquarters as defined in the Corporate Headquarters Relocation Act. Instead of an abatement under this paragraph (8), a taxing district may enter into an agreement with an eligible business to make annual payments to that eligible business in an amount not to exceed the property taxes paid directly or indirectly by that eligible business to the taxing district and any other taxing districts for premises occupied pursuant to a written lease and may make those payments without the need for an annual appropriation. No school district, however, may enter into an agreement with, or abate taxes for, an eligible business unless the municipality in which the corporate headquarters is located agrees to provide funding to the school district in an amount equal to the amount abated or paid by the school district as provided in this paragraph (8). Any abatement ordered or agreement entered into under this paragraph (8) may be effective for the entire term specified by the taxing district, except the term of the abatement or annual payments may not exceed 20 years.

(9) United States Military Public/Private Residential Developments. Each building, structure, or other improvement designed, financed, constructed, renovated, managed, operated, or maintained after January 1, 2006



under a "PPV Lease", as set forth under Division 14 of Article 10, and any such PPV Lease.

(b) Upon a majority vote of its governing authority, any municipality may, after the determination of the assessed valuation of its property, order the county clerk to abate any portion of its taxes on any property that is located within the corporate limits of the municipality in accordance with Section 8-3-18 of the Illinois Municipal Code.

(Source: P.A. 93-270, eff. 7-22-03; 94-793, eff. 5-19-06; 94-974, eff. 6-30-06.)

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