

AN ACT concerning revenue.

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

Section 3. The Property Tax Code is amended by changing Sections 11-85 and 11-90 and by adding Section 11-80.1 as follows:

(35 ILCS 200/11-80.1 new)

Sec. 11-80.1. High-speed passenger rail project. Due to the importance of developing high-speed or faster rail service, the General Assembly finds that it should encourage freight railroad owners to participate in State and federal government programs, including cooperative agreements designed to increase the speed of passenger rail service, that participation in those programs should not result in increased property taxes, and that such an increase in property taxes could negatively impact the participation in those programs. Therefore, the Department shall take into consideration any potential increase in a property's overall valuation that is directly attributable to the investment, improvement, replacement, or expansion of railroad operating property on or after January 1, 2010, through State or federal government programs, including cooperative agreements, necessary for higher speed passenger rail transportation. Any such increase

in the property's overall valuation that is directly attributable to the investment, improvement, replacement, or expansion of railroad operating property on or after January 1, 2010, through State or federal government programs necessary for higher speed passenger rail transportation, including cooperative agreements, shall be excluded from the valuation of its real property improvements under Section 11-80. This Section applies on and after the effective date of this amendatory Act of the 97th General Assembly and through December 31, 2019.

(35 ILCS 200/11-85)

Sec. 11-85. Property schedules. Every railroad company shall, on or before June 1 of each year, when required, make out and file with the Department a statement or schedule showing the property held for right of way, whether owned, leased, or operated under trackage right agreement, and the length of the first, second, third and other main and all side tracks and turnouts, and the number of acres of right of way in each county of this State and in each taxing district of this State, through or into which the road may run. It shall describe all improvements and stations located on the right of way, giving the quantity, quality, character and original cost of each. It shall also report all non-operating personalty owned or controlled by the company on January 1, giving the quantity, quality, character and location of the same. The

report shall also include any potential increase in the property's overall valuation that is directly attributable to the investment, improvement, replacement, or expansion of railroad operating property on or after January 1, 2010, through State or federal governmental programs, including cooperative agreements, necessary for higher speed passenger rail transportation through December 31, 2019. New companies shall make the statement on or before the June 1 after the location of their road.

When the statement has once been made, it is not necessary to report the description as required above unless directed to do so by the Department, but the company shall, on or before June 1, annually, report all additions or changes in its property in this State as have occurred.

The return required by this Section should be made by the using company, but all property which is operated under one control shall be returned as provided in this Section.

(Source: P.A. 86-905; 88-455.)

(35 ILCS 200/11-90)

Sec. 11-90. Information schedules. Each year every railroad company in this State shall return to the Department, in addition to any other information required by this Code, sworn statements or schedules as follows:

(a) The amount of capital stock authorized and the total number of shares of capital stock.

(b) The amount of capital stock issued and outstanding.

(c) The market value, or if no market value then the estimated value, of the shares of stock outstanding.

(d) The total amount of all bonds outstanding and all other indebtedness.

(e) The market value, or if no market value then the estimated value, of all bonds outstanding and all other indebtedness.

(f) A statement in detail of the entire gross receipts and net earnings of the company during the 5 calendar years preceding the assessment date within this State, and of the entire system from all sources.

(g) The length of the first, second, third and other main tracks and all side tracks and turnouts showing the proportions within this State and elsewhere.

(h) The reproduction cost of the property within Illinois and the total reproduction cost of all property of the company. The reproduction cost, so far as applicable, shall be as last determined by the United States Interstate Commerce Commission, or other competent authority, plus additions and betterments, less retirements and depreciation to the December 31 preceding the assessment date.

(i) An enumeration and classification of all rolling stock and car equipment owned or leased by the company. The classification shall show type of equipment and

circumstances of ownership and use. The enumeration shall include rolling stock used over the track of other companies under any trackage right agreement. All other property used in connection with a trackage right agreement shall be listed.

(j) Any other information the Department may require to determine the fair cash value of the property of any railroad company, or necessary to carry out the provisions of this Code, including information pertaining to any potential increases in the property's overall valuation that is directly attributable to the investment, improvement, replacement, or expansion of railroad operating property on or after January 1, 2010, through State or federal governmental programs, including cooperative agreements, necessary for higher speed passenger rail transportation through December 31, 2019.

Such statements or schedules shall conform to the instructions and forms prescribed by the Department.

In cases where a railroad company uses property owned by another, the return shall be made by the using company and all property operated under one control shall be returned as provided above.

(Source: P.A. 86-905; 88-455.)

Section 5. The Senior Citizens Real Estate Tax Deferral Act is amended by changing Sections 2 and 3 as follows:

(320 ILCS 30/2) (from Ch. 67 1/2, par. 452)

Sec. 2. Definitions. As used in this Act:

(a) "Taxpayer" means an individual whose household income for the year is no greater than: (i) \$40,000 through tax year 2005; ~~and~~ (ii) \$50,000 for tax years year 2006 through 2011; and (iii) \$55,000 for tax year 2012 and thereafter.

(b) "Tax deferred property" means the property upon which real estate taxes are deferred under this Act.

(c) "Homestead" means the land and buildings thereon, including a condominium or a dwelling unit in a multidwelling building that is owned and operated as a cooperative, occupied by the taxpayer as his residence or which are temporarily unoccupied by the taxpayer because such taxpayer is temporarily residing, for not more than 1 year, in a licensed facility as defined in Section 1-113 of the Nursing Home Care Act.

(d) "Real estate taxes" or "taxes" means the taxes on real property for which the taxpayer would be liable under the Property Tax Code, including special service area taxes, and special assessments on benefited real property for which the taxpayer would be liable to a unit of local government.

(e) "Department" means the Department of Revenue.

(f) "Qualifying property" means a homestead which (a) the taxpayer or the taxpayer and his spouse own in fee simple or are purchasing in fee simple under a recorded instrument of sale, (b) is not income-producing property, (c) is not subject

to a lien for unpaid real estate taxes when a claim under this Act is filed, and (d) is not held in trust, other than an Illinois land trust with the taxpayer identified as the sole beneficiary, if the taxpayer is filing for the program for the first time effective as of the January 1, 2011 assessment year or tax year 2012 and thereafter.

(g) "Equity interest" means the current assessed valuation of the qualified property times the fraction necessary to convert that figure to full market value minus any outstanding debts or liens on that property. In the case of qualifying property not having a separate assessed valuation, the appraised value as determined by a qualified real estate appraiser shall be used instead of the current assessed valuation.

(h) "Household income" has the meaning ascribed to that term in the Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act.

(i) "Collector" means the county collector or, if the taxes to be deferred are special assessments, an official designated by a unit of local government to collect special assessments.

(Source: P.A. 94-794, eff. 5-22-06.)

(320 ILCS 30/3) (from Ch. 67 1/2, par. 453)

Sec. 3. A taxpayer may, on or before March 1 of each year, apply to the county collector of the county where his qualifying property is located, or to the official designated

by a unit of local government to collect special assessments on the qualifying property, as the case may be, for a deferral of all or a part of real estate taxes payable during that year for the preceding year in the case of real estate taxes other than special assessments, or for a deferral of any installments payable during that year in the case of special assessments, on all or part of his qualifying property. The application shall be on a form prescribed by the Department and furnished by the collector, (a) showing that the applicant will be 65 years of age or older by June 1 of the year for which a tax deferral is claimed, (b) describing the property and verifying that the property is qualifying property as defined in Section 2, (c) certifying that the taxpayer has owned and occupied as his residence such property or other qualifying property in the State for at least the last 3 years except for any periods during which the taxpayer may have temporarily resided in a nursing or sheltered care home, and (d) specifying whether the deferral is for all or a part of the taxes, and, if for a part, the amount of deferral applied for. As to qualifying property not having a separate assessed valuation, the taxpayer shall also file with the county collector a written appraisal of the property prepared by a qualified real estate appraiser together with a certificate signed by the appraiser stating that he has personally examined the property and setting forth the value of the land and the value of the buildings thereon occupied by the taxpayer as his residence.

The collector shall grant the tax deferral provided such deferral does not exceed funds available in the Senior Citizens Real Estate Deferred Tax Revolving Fund and provided that the owner or owners of such real property have entered into a tax deferral and recovery agreement with the collector on behalf of the county or other unit of local government, which agreement expressly states:

(1) That the total amount of taxes deferred under this Act, plus interest, for the year for which a tax deferral is claimed as well as for those previous years for which taxes are not delinquent and for which such deferral has been claimed may not exceed 80% of the taxpayer's equity interest in the property for which taxes are to be deferred and that, if the total deferred taxes plus interest equals 80% of the taxpayer's equity interest in the property, the taxpayer shall thereafter pay the annual interest due on such deferred taxes plus interest so that total deferred taxes plus interest will not exceed such 80% of the taxpayer's equity interest in the property. Effective as of the January 1, 2011 assessment year or tax year 2012 and thereafter, the total amount of any such deferral shall not exceed \$5,000 per taxpayer in each tax year.

(2) That any real estate taxes deferred under this Act and any interest accrued thereon at the rate of 6% per year are a lien on the real estate and improvements thereon until paid. No sale or transfer of such real property may be legally closed and recorded until the taxes which would otherwise have been

due on the property, plus accrued interest, have been paid unless the collector certifies in writing that an arrangement for prompt payment of the amount due has been made with his office. The same shall apply if the property is to be made the subject of a contract of sale.

(3) That upon the death of the taxpayer claiming the deferral the heirs-at-law, assignees or legatees shall have first priority to the real property upon which taxes have been deferred by paying in full the total taxes which would otherwise have been due, plus interest. However, if such heir-at-law, assignee, or legatee is a surviving spouse, the tax deferred status of the property shall be continued during the life of that surviving spouse if the spouse is 55 years of age or older within 6 months of the date of death of the taxpayer and enters into a tax deferral and recovery agreement before the time when deferred taxes become due under this Section. Any additional taxes deferred, plus interest, on the real property under a tax deferral and recovery agreement signed by a surviving spouse shall be added to the taxes and interest which would otherwise have been due, and the payment of which has been postponed during the life of such surviving spouse, in determining the 80% equity requirement provided by this Section.

(4) That if the taxes due, plus interest, are not paid by the heir-at-law, assignee or legatee or if payment is not postponed during the life of a surviving spouse, the deferred

taxes and interest shall be recovered from the estate of the taxpayer within one year of the date of his death. In addition, deferred real estate taxes and any interest accrued thereon are due within 90 days after any tax deferred property ceases to be qualifying property as defined in Section 2.

If payment is not made when required by this Section, foreclosure proceedings may be instituted under the Property Tax Code.

(5) That any joint owner has given written prior approval for such agreement, which written approval shall be made a part of such agreement.

(6) That a guardian for a person under legal disability appointed for a taxpayer who otherwise qualifies under this Act may act for the taxpayer in complying with this Act.

(7) That a taxpayer or his agent has provided to the satisfaction of the collector, sufficient evidence that the qualifying property on which the taxes are to be deferred is insured against fire or casualty loss for at least the total amount of taxes which have been deferred.

If the taxes to be deferred are special assessments, the unit of local government making the assessments shall forward a copy of the agreement entered into pursuant to this Section and the bills for such assessments to the county collector of the county in which the qualifying property is located.

(Source: P.A. 90-170, eff. 7-23-97; 91-357, eff. 7-29-99.)

Section 99. Effective date. This Act takes effect upon

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becoming law.