

SB2909



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

SB2909

Introduced 2/14/2018, by Sen. Ira I. Silverstein

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-172

Amends the Property Tax Code. Provides that the Senior Citizens Assessment Freeze Homestead Exemption also applies to qualified first responders. Provides that the term "qualified first responder" means a firefighter or police officer who is at least 50 years of age during the taxable year and receives retirement or disability benefits from his or her service as a firefighter or police officer. Effective immediately.

LRB100 18752 HLH 33986 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 Section 15-172 as follows:

6 (35 ILCS 200/15-172)

7 Sec. 15-172. Senior Citizens and First Responders
8 Assessment Freeze Homestead Exemption.

9 (a) This Section may be cited as the Senior Citizens and
10 First Responders Assessment Freeze Homestead Exemption.

11 (b) As used in this Section:

12 "Applicant" means an individual who has filed an
13 application under this Section.

14 "Base amount" means the base year equalized assessed value
15 of the residence plus the first year's equalized assessed value
16 of any added improvements which increased the assessed value of
17 the residence after the base year.

18 "Base year" means the taxable year prior to the taxable
19 year for which the applicant first qualifies and applies for
20 the exemption provided that in the prior taxable year the
21 property was improved with a permanent structure that was
22 occupied as a residence by the applicant who was liable for
23 paying real property taxes on the property and who was either

1 (i) an owner of record of the property or had legal or
2 equitable interest in the property as evidenced by a written
3 instrument or (ii) had a legal or equitable interest as a
4 lessee in the parcel of property that was single family
5 residence. If in any subsequent taxable year for which the
6 applicant applies and qualifies for the exemption the equalized
7 assessed value of the residence is less than the equalized
8 assessed value in the existing base year (provided that such
9 equalized assessed value is not based on an assessed value that
10 results from a temporary irregularity in the property that
11 reduces the assessed value for one or more taxable years), then
12 that subsequent taxable year shall become the base year until a
13 new base year is established under the terms of this paragraph.
14 For taxable year 1999 only, the Chief County Assessment Officer
15 shall review (i) all taxable years for which the applicant
16 applied and qualified for the exemption and (ii) the existing
17 base year. The assessment officer shall select as the new base
18 year the year with the lowest equalized assessed value. An
19 equalized assessed value that is based on an assessed value
20 that results from a temporary irregularity in the property that
21 reduces the assessed value for one or more taxable years shall
22 not be considered the lowest equalized assessed value. The
23 selected year shall be the base year for taxable year 1999 and
24 thereafter until a new base year is established under the terms
25 of this paragraph.

26 "Chief County Assessment Officer" means the County

1 Assessor or Supervisor of Assessments of the county in which
2 the property is located.

3 "Equalized assessed value" means the assessed value as
4 equalized by the Illinois Department of Revenue.

5 "Firefighter" means a person who has served as a
6 "firefighter" or "fireman", as defined in Sections 4-106 or
7 6-106 of the Illinois Pension Code, a paramedic employed by a
8 unit of local government, or an EMT, emergency medical
9 technician-intermediate (EMT-I), or advanced emergency medical
10 technician (A-EMT) employed by a unit of local government.

11 "Household" means the applicant, the spouse of the
12 applicant, and all persons using the residence of the applicant
13 as their principal place of residence.

14 "Household income" means the combined income of the members
15 of a household for the calendar year preceding the taxable
16 year.

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

21 "Internal Revenue Code of 1986" means the United States
22 Internal Revenue Code of 1986 or any successor law or laws
23 relating to federal income taxes in effect for the year
24 preceding the taxable year.

25 "Life care facility that qualifies as a cooperative" means
26 a facility as defined in Section 2 of the Life Care Facilities

1 Act.

2 "Maximum income limitation" means:

3 (1) \$35,000 prior to taxable year 1999;

4 (2) \$40,000 in taxable years 1999 through 2003;

5 (3) \$45,000 in taxable years 2004 through 2005;

6 (4) \$50,000 in taxable years 2006 and 2007;

7 (5) \$55,000 in taxable years 2008 through 2016;

8 (6) for taxable year 2017, (i) \$65,000 for qualified
9 property located in a county with 3,000,000 or more
10 inhabitants and (ii) \$55,000 for qualified property
11 located in a county with fewer than 3,000,000 inhabitants;
12 and

13 (7) for taxable years 2018 and thereafter, \$65,000 for
14 all qualified property.

15 "Police officer" means a policeman, as defined in Section
16 10-3-1 of the Illinois Municipal Code, conservation police
17 officer, sheriff, or deputy sheriff.

18 "Qualified first responder" means a firefighter or police
19 officer who is at least 50 years of age during the taxable year
20 and receives retirement or disability benefits from his or her
21 service as a firefighter or police officer.

22 "Residence" means the principal dwelling place and
23 appurtenant structures used for residential purposes in this
24 State occupied on January 1 of the taxable year by a household
25 and so much of the surrounding land, constituting the parcel
26 upon which the dwelling place is situated, as is used for

1 residential purposes. If the Chief County Assessment Officer
2 has established a specific legal description for a portion of
3 property constituting the residence, then that portion of
4 property shall be deemed the residence for the purposes of this
5 Section.

6 "Taxable year" means the calendar year during which ad
7 valorem property taxes payable in the next succeeding year are
8 levied.

9 (c) Beginning in taxable year 1994, a senior citizens
10 assessment freeze homestead exemption is granted for real
11 property that is improved with a permanent structure that is
12 occupied as a residence by an applicant who (i) is 65 years of
13 age or older during the taxable year or (beginning in taxable
14 year 2018) a qualified first responder, (ii) has a household
15 income that does not exceed the maximum income limitation,
16 (iii) is liable for paying real property taxes on the property,
17 and (iv) is an owner of record of the property or has a legal or
18 equitable interest in the property as evidenced by a written
19 instrument. This homestead exemption shall also apply to a
20 leasehold interest in a parcel of property improved with a
21 permanent structure that is a single family residence that is
22 occupied as a residence by a person who (i) is 65 years of age
23 or older or (beginning in taxable year 2018) a qualified first
24 responder during the taxable year, (ii) has a household income
25 that does not exceed the maximum income limitation, (iii) has a
26 legal or equitable ownership interest in the property as

1 lessee, and (iv) is liable for the payment of real property
2 taxes on that property.

3 In counties of 3,000,000 or more inhabitants, the amount of
4 the exemption for all taxable years is the equalized assessed
5 value of the residence in the taxable year for which
6 application is made minus the base amount. In all other
7 counties, the amount of the exemption is as follows: (i)
8 through taxable year 2005 and for taxable year 2007 and
9 thereafter, the amount of this exemption shall be the equalized
10 assessed value of the residence in the taxable year for which
11 application is made minus the base amount; and (ii) for taxable
12 year 2006, the amount of the exemption is as follows:

13 (1) For an applicant who has a household income of
14 \$45,000 or less, the amount of the exemption is the
15 equalized assessed value of the residence in the taxable
16 year for which application is made minus the base amount.

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

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

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

6 (5) For an applicant who has a household income
7 exceeding \$48,750 but not exceeding \$50,000, the amount of
8 the exemption is (i) the equalized assessed value of the
9 residence in the taxable year for which application is made
10 minus the base amount (ii) multiplied by 0.2.

11 When the applicant is a surviving spouse of an applicant
12 for a prior year for the same residence for which an exemption
13 under this Section has been granted, the base year and base
14 amount for that residence are the same as for the applicant for
15 the prior year.

16 Each year at the time the assessment books are certified to
17 the County Clerk, the Board of Review or Board of Appeals shall
18 give to the County Clerk a list of the assessed values of
19 improvements on each parcel qualifying for this exemption that
20 were added after the base year for this parcel and that
21 increased the assessed value of the property.

22 In the case of land improved with an apartment building
23 owned and operated as a cooperative or a building that is a
24 life care facility that qualifies as a cooperative, the maximum
25 reduction from the equalized assessed value of the property is
26 limited to the sum of the reductions calculated for each unit

1 occupied as a residence by a person or persons (i) 65 years of
2 age or older or (beginning in taxable year 2018) a qualified
3 first responder, (ii) with a household income that does not
4 exceed the maximum income limitation, (iii) who is liable, by
5 contract with the owner or owners of record, for paying real
6 property taxes on the property, and (iv) who is an owner of
7 record of a legal or equitable interest in the cooperative
8 apartment building, other than a leasehold interest. In the
9 instance of a cooperative where a homestead exemption has been
10 granted under this Section, the cooperative association or its
11 management firm shall credit the savings resulting from that
12 exemption only to the apportioned tax liability of the owner
13 who qualified for the exemption. Any person who willfully
14 refuses to credit that savings to an owner who qualifies for
15 the exemption is guilty of a Class B misdemeanor.

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

26 Beginning January 1, 1997, when an individual dies who

1 would have qualified for an exemption under this Section, and
2 the surviving spouse does not independently qualify for this
3 exemption because of age, the exemption under this Section
4 shall be granted to the surviving spouse for the taxable year
5 preceding and the taxable year of the death, provided that,
6 except for age, the surviving spouse meets all other
7 qualifications for the granting of this exemption for those
8 years.

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

12 For taxable year 1994 only, in counties having less than
13 3,000,000 inhabitants, to receive the exemption, a person shall
14 submit an application by February 15, 1995 to the Chief County
15 Assessment Officer of the county in which the property is
16 located. In counties having 3,000,000 or more inhabitants, for
17 taxable year 1994 and all subsequent taxable years, to receive
18 the exemption, a person may submit an application to the Chief
19 County Assessment Officer of the county in which the property
20 is located during such period as may be specified by the Chief
21 County Assessment Officer. The Chief County Assessment Officer
22 in counties of 3,000,000 or more inhabitants shall annually
23 give notice of the application period by mail or by
24 publication. In counties having less than 3,000,000
25 inhabitants, beginning with taxable year 1995 and thereafter,
26 to receive the exemption, a person shall submit an application

1 by July 1 of each taxable year to the Chief County Assessment
2 Officer of the county in which the property is located. A
3 county may, by ordinance, establish a date for submission of
4 applications that is different than July 1. The applicant shall
5 submit with the application an affidavit of the applicant's
6 total household income, age, marital status (and if married the
7 name and address of the applicant's spouse, if known), and
8 principal dwelling place of members of the household on January
9 1 of the taxable year. The Department shall establish, by rule,
10 a method for verifying the accuracy of affidavits filed by
11 applicants under this Section, and the Chief County Assessment
12 Officer may conduct audits of any taxpayer claiming an
13 exemption under this Section to verify that the taxpayer is
14 eligible to receive the exemption. Each application shall
15 contain or be verified by a written declaration that it is made
16 under the penalties of perjury. A taxpayer's signing a
17 fraudulent application under this Act is perjury, as defined in
18 Section 32-2 of the Criminal Code of 2012. The applications
19 shall be clearly marked as applications for the Senior Citizens
20 Assessment Freeze Homestead Exemption and must contain a notice
21 that any taxpayer who receives the exemption is subject to an
22 audit by the Chief County Assessment Officer.

23 Notwithstanding any other provision to the contrary, in
24 counties having fewer than 3,000,000 inhabitants, if an
25 applicant fails to file the application required by this
26 Section in a timely manner and this failure to file is due to a

1 mental or physical condition sufficiently severe so as to
2 render the applicant incapable of filing the application in a
3 timely manner, the Chief County Assessment Officer may extend
4 the filing deadline for a period of 30 days after the applicant
5 regains the capability to file the application, but in no case
6 may the filing deadline be extended beyond 3 months of the
7 original filing deadline. In order to receive the extension
8 provided in this paragraph, the applicant shall provide the
9 Chief County Assessment Officer with a signed statement from
10 the applicant's physician, advanced practice registered nurse,
11 or physician assistant stating the nature and extent of the
12 condition, that, in the physician's, advanced practice
13 registered nurse's, or physician assistant's opinion, the
14 condition was so severe that it rendered the applicant
15 incapable of filing the application in a timely manner, and the
16 date on which the applicant regained the capability to file the
17 application.

18 Beginning January 1, 1998, notwithstanding any other
19 provision to the contrary, in counties having fewer than
20 3,000,000 inhabitants, if an applicant fails to file the
21 application required by this Section in a timely manner and
22 this failure to file is due to a mental or physical condition
23 sufficiently severe so as to render the applicant incapable of
24 filing the application in a timely manner, the Chief County
25 Assessment Officer may extend the filing deadline for a period
26 of 3 months. In order to receive the extension provided in this

1 paragraph, the applicant shall provide the Chief County
2 Assessment Officer with a signed statement from the applicant's
3 physician, advanced practice registered nurse, or physician
4 assistant stating the nature and extent of the condition, and
5 that, in the physician's, advanced practice registered
6 nurse's, or physician assistant's opinion, the condition was so
7 severe that it rendered the applicant incapable of filing the
8 application in a timely manner.

9 In counties having less than 3,000,000 inhabitants, if an
10 applicant was denied an exemption in taxable year 1994 and the
11 denial occurred due to an error on the part of an assessment
12 official, or his or her agent or employee, then beginning in
13 taxable year 1997 the applicant's base year, for purposes of
14 determining the amount of the exemption, shall be 1993 rather
15 than 1994. In addition, in taxable year 1997, the applicant's
16 exemption shall also include an amount equal to (i) the amount
17 of any exemption denied to the applicant in taxable year 1995
18 as a result of using 1994, rather than 1993, as the base year,
19 (ii) the amount of any exemption denied to the applicant in
20 taxable year 1996 as a result of using 1994, rather than 1993,
21 as the base year, and (iii) the amount of the exemption
22 erroneously denied for taxable year 1994.

23 For purposes of this Section, a person who will be 65 years
24 of age or (beginning in taxable year 2018) a qualified first
25 responder during the current taxable year shall be eligible to
26 apply for the homestead exemption during that taxable year.

1 Application shall be made during the application period in
2 effect for the county of his or her residence.

3 The Chief County Assessment Officer may determine the
4 eligibility of a life care facility that qualifies as a
5 cooperative to receive the benefits provided by this Section by
6 use of an affidavit, application, visual inspection,
7 questionnaire, or other reasonable method in order to insure
8 that the tax savings resulting from the exemption are credited
9 by the management firm to the apportioned tax liability of each
10 qualifying resident. The Chief County Assessment Officer may
11 request reasonable proof that the management firm has so
12 credited that exemption.

13 Except as provided in this Section, all information
14 received by the chief county assessment officer or the
15 Department from applications filed under this Section, or from
16 any investigation conducted under the provisions of this
17 Section, shall be confidential, except for official purposes or
18 pursuant to official procedures for collection of any State or
19 local tax or enforcement of any civil or criminal penalty or
20 sanction imposed by this Act or by any statute or ordinance
21 imposing a State or local tax. Any person who divulges any such
22 information in any manner, except in accordance with a proper
23 judicial order, is guilty of a Class A misdemeanor.

24 Nothing contained in this Section shall prevent the
25 Director or chief county assessment officer from publishing or
26 making available reasonable statistics concerning the

1 operation of the exemption contained in this Section in which
2 the contents of claims are grouped into aggregates in such a
3 way that information contained in any individual claim shall
4 not be disclosed.

5 Notwithstanding any other provision of law, for taxable
6 year 2017 and thereafter, in counties of 3,000,000 or more
7 inhabitants, the amount of the exemption shall be the greater
8 of (i) the amount of the exemption otherwise calculated under
9 this Section or (ii) \$2,000.

10 (d) Each Chief County Assessment Officer shall annually
11 publish a notice of availability of the exemption provided
12 under this Section. The notice shall be published at least 60
13 days but no more than 75 days prior to the date on which the
14 application must be submitted to the Chief County Assessment
15 Officer of the county in which the property is located. The
16 notice shall appear in a newspaper of general circulation in
17 the county.

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

21 (Source: P.A. 99-143, eff. 7-27-15; 99-180, eff. 7-29-15;
22 99-581, eff. 1-1-17; 99-642, eff. 7-28-16; 100-401, eff.
23 8-25-17; 100-513, eff. 1-1-18; revised 9-25-17.)

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