

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 18-180 as follows:

6 (35 ILCS 200/18-180)

7 Sec. 18-180. Abatement; urban decay.

8 (a) Except as provided below, a home rule municipality upon
9 adoption of an ordinance by majority vote of its governing
10 authority, may order the county clerk to abate, for a period
11 not to exceed 10 years, any percentage of the taxes levied by
12 the municipality and any other taxing district on each parcel
13 of property located in an area of urban decay within the
14 corporate limits of the municipality and upon which a newly
15 constructed or newly remodeled single-family or duplex
16 residential dwelling unit is located, except that the total
17 abatement for any levy year shall not be in an amount in excess
18 of 2% of the taxes extended by all taxing districts on all
19 parcels located within the township that contain residential
20 dwelling units of 6 units or less. In the case of a newly
21 remodeled single-family or duplex residential dwelling unit,
22 the amount of the abatement may not exceed the amount of
23 property taxes attributable to the improvements. An abatement

1 adopted under this Section shall be extended to all subsequent
2 owners of an eligible property during the abatement period. The
3 ordinance shall provide that the same percentage abatement of
4 taxes shall apply to all eligible property subject to the
5 abatement ordinance, except that any abatement granted for any
6 parcel that is within a redevelopment area created under
7 Division 74.4 of Article 11 of the Illinois Municipal Code at
8 the time the ordinance is adopted shall not exceed the amount
9 of taxes allocable to taxing districts. No abatement adopted
10 under this Section shall apply to a parcel of property if the
11 owner does not live in the single-family or one of the duplex
12 residential units. Before final adoption of an abatement
13 ordinance under this Section, the governing authority of the
14 home rule municipality shall notify by mail each affected
15 taxing district of the pending ordinance. This Section does not
16 apply to property annexed by a municipality after January 1,
17 1989.

18 (b) The governing authority of each affected taxing
19 district shall within 10 days appoint one member to serve on an
20 Abatement Review Board to review the terms and conditions of
21 the proposed abatement ordinance. The Board shall be convened
22 by the mayor or village president of the municipality
23 considering the abatement ordinance. The ordinance shall not be
24 adopted less than 45 days after the Board is convened. Failure
25 to appoint a member to the Board does not affect work of the
26 Board. The Board shall report the findings and conclusions to

1 the governing authority of the municipality not later than 30
2 days after it is convened.

3 (c) Any abatement granted under this Section shall be
4 reduced in 20% increments annually during the last 4 years of
5 the abatement period for the property.

6 (d) For purposes of this Section:

7 (1) "Area of urban decay" means an area demonstrating
8 conditions of a "blighted area" or "conservation area" as
9 defined by Section 11-74.4-3 of the Illinois Municipal
10 Code, notwithstanding the minimum acreage requirement
11 contained in the definition of a "redevelopment project
12 area" under that Section. Qualifying factors of blight or
13 conservation shall be defined as those present within the
14 year prior to adoption of the ordinance designating the
15 area of urban decay.

16 (2) "Duplex" means a 2 family residence that is not
17 more than 2 stories plus a basement in height and is
18 located on a single parcel of property.

19 (3) "Newly constructed" means constructed and ready
20 for occupancy not earlier than one year before the date the
21 municipality first orders the abatement for the parcel
22 under this Section.

23 (4) "Newly remodeled" means that the property contains
24 improvements that were completed not earlier than one year
25 before the date the municipality first orders the abatement
26 for the parcel under this Section.

1 (Source: P.A. 87-1189; 88-455.)