



Rep. Barbara Flynn Currie

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LRB096 10038 HLH 27262 a

1 AMENDMENT TO SENATE BILL 2252

2 AMENDMENT NO. _____. Amend Senate Bill 2252, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Property Tax Code is amended by changing
6 Section 15-65 as follows:

7 (35 ILCS 200/15-65)

8 Sec. 15-65. Charitable purposes. All property of the
9 following is exempt when actually and exclusively used for
10 charitable or beneficent purposes, and not leased or otherwise
11 used with a view to profit:

12 (a) Institutions of public charity.

13 (b) Beneficent and charitable organizations
14 incorporated in any state of the United States, including
15 organizations whose owner, and no other person, uses the
16 property exclusively for the distribution, sale, or resale

1 of donated goods and related activities and uses all the
2 income from those activities to support the charitable,
3 religious or beneficent activities of the owner, whether or
4 not such activities occur on the property.

5 (c) Old people's homes, facilities for persons with a
6 developmental disability, and not-for-profit organizations
7 providing services or facilities related to the goals of
8 educational, social and physical development, if, upon
9 making application for the exemption, the applicant
10 provides affirmative evidence that the home or facility or
11 organization is an exempt organization under paragraph (3)
12 of Section 501(c) of the Internal Revenue Code or its
13 successor, and either: (i) the bylaws of the home or
14 facility or not-for-profit organization provide for a
15 waiver or reduction, based on an individual's ability to
16 pay, of any entrance fee, assignment of assets, or fee for
17 services, or (ii) the home or facility is qualified, built
18 or financed under Section 202 of the National Housing Act
19 of 1959, as amended.

20 An applicant that has been granted an exemption under
21 this subsection on the basis that its bylaws provide for a
22 waiver or reduction, based on an individual's ability to
23 pay, of any entrance fee, assignment of assets, or fee for
24 services may be periodically reviewed by the Department to
25 determine if the waiver or reduction was a past policy or
26 is a current policy. The Department may revoke the

1 exemption if it finds that the policy for waiver or
2 reduction is no longer current.

3 If a not-for-profit organization leases property that
4 is otherwise exempt under this subsection to an
5 organization that conducts an activity on the leased
6 premises that would entitle the lessee to an exemption from
7 real estate taxes if the lessee were the owner of the
8 property, then the leased property is exempt.

9 (d) Not-for-profit health maintenance organizations
10 certified by the Director of the Illinois Department of
11 Insurance under the Health Maintenance Organization Act,
12 including any health maintenance organization that
13 provides services to members at prepaid rates approved by
14 the Illinois Department of Insurance if the membership of
15 the organization is sufficiently large or of indefinite
16 classes so that the community is benefited by its
17 operation. No exemption shall apply to any hospital or
18 health maintenance organization which has been adjudicated
19 by a court of competent jurisdiction to have denied
20 admission to any person because of race, color, creed, sex
21 or national origin.

22 (e) All free public libraries.

23 (f) Historical societies.

24 Property otherwise qualifying for an exemption under this
25 Section shall not lose its exemption because the legal title is
26 held (i) by an entity that is organized solely to hold that

1 title and that qualifies under paragraph (2) of Section 501(c)
2 of the Internal Revenue Code or its successor, whether or not
3 that entity receives rent from the charitable organization for
4 the repair and maintenance of the property, (ii) by an entity
5 that is organized as a partnership or limited liability
6 company, in which the charitable organization, or an affiliate
7 or subsidiary of the charitable organization, is a general
8 partner of the partnership or managing member of the limited
9 liability company, for the purposes of owning and operating a
10 residential rental property that has received an allocation of
11 Low Income Housing Tax Credits for 100% of the dwelling units
12 under Section 42 of the Internal Revenue Code of 1986, as
13 amended, or (iii) for any assessment year including and
14 subsequent to January 1, 1996 for which an application for
15 exemption has been filed and a decision on which has not become
16 final and nonappealable, by a limited liability company
17 organized under the Limited Liability Company Act provided that
18 ~~(A) the limited liability company receives a notification from~~
19 ~~the Internal Revenue Service that it qualifies under paragraph~~
20 ~~(2) or (3) of Section 501(c) of the Internal Revenue Code; (B)~~
21 the limited liability company's sole member or members, as that
22 term is used in Section 1-5 of the Limited Liability Company
23 Act, are the institutions of public charity that actually and
24 exclusively use the property for charitable and beneficent
25 purposes; (B) the limited liability company is a disregarded
26 entity for federal and Illinois income tax purposes and, as a

1 result, the limited liability company is deemed exempt from
2 income tax liability by virtue of the Internal Revenue Code
3 Section 501(c)(3) status of its sole member or members; and (C)
4 the limited liability company does not lease the property or
5 otherwise use it with a view to profit.

6 (Source: P.A. 91-416, eff. 8-6-99; 92-382, eff. 8-16-01.)

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