



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

SB3151

Introduced 2/9/2010, by Sen. Terry Link

SYNOPSIS AS INTRODUCED:

20 ILCS 620/6	from Ch. 67 1/2, par. 1006
55 ILCS 85/6	from Ch. 34, par. 7006
55 ILCS 90/45	from Ch. 34, par. 8045
65 ILCS 5/11-74.4-9	from Ch. 24, par. 11-74.4-9
65 ILCS 110/45	

Amends the Economic Development Area Tax Increment Allocation Act, the County Economic Development Project Area Property Tax Allocation Act, the County Economic Development Project Area Tax Increment Allocation Act of 1991, the Tax Increment Allocation Redevelopment Act in the Illinois Municipal Code, the Industrial Jobs Recovery Law in the Illinois Municipal Code, and the Economic Development Project Area Tax Increment Allocation Act of 1995. Provides that, beginning January 1, 2011, the initial equalized assessed value of all taxable real property within the economic development project area must be increased over the initial equalized assessed value of the previous year by the annual rate of increase, for the previous calendar year, of the Consumer Price Index for All Urban Consumers for all items, published by the United States Bureau of Labor Statistics. Effective immediately.

LRB096 19982 HLH 35467 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning local government.

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

4 Section 5. The Economic Development Area Tax Increment
5 Allocation Act is amended by changing Section 6 as follows:

6 (20 ILCS 620/6) (from Ch. 67 1/2, par. 1006)

7 Sec. 6. Filing with county clerk; certification of initial
8 equalized assessed value.

9 (a) The municipality shall file a certified copy of any
10 ordinance authorizing tax increment allocation financing for
11 an economic development project area with the county clerk, and
12 the county clerk shall immediately thereafter determine (1) the
13 most recently ascertained equalized assessed value of each lot,
14 block, tract or parcel of real property within the economic
15 development project area from which shall be deducted the
16 homestead exemptions provided by Sections 15-170, 15-175, and
17 15-176 of the Property Tax Code, which value shall be the
18 "initial equalized assessed value" of each such piece of
19 property, and (2) the total equalized assessed value of all
20 taxable real property within the economic development project
21 area by adding together the most recently ascertained equalized
22 assessed value of each taxable lot, block, tract, or parcel of
23 real property within such economic development project area,

1 from which shall be deducted the homestead exemptions provided
2 under Article 15 of the Property Tax Code, and shall certify
3 such amount as the "total initial equalized assessed value" of
4 the taxable real property within the economic development
5 project area.

6 (b) After the county clerk has certified the "total initial
7 equalized assessed value" of the taxable real property in the
8 economic development project area, then in respect to every
9 taxing district containing an economic development project
10 area, the county clerk or any other official required by law to
11 ascertain the amount of the equalized assessed value of all
12 taxable property within that taxing district for the purpose of
13 computing the rate per cent of tax to be extended upon taxable
14 property within that taxing district, shall in every year that
15 tax increment allocation financing is in effect ascertain the
16 amount of value of taxable property in an economic development
17 project area by including in that amount the lower of the
18 current equalized assessed value or the certified "total
19 initial equalized assessed value" of all taxable real property
20 in such area. The rate per cent of tax determined shall be
21 extended to the current equalized assessed value of all
22 property in the economic development project area in the same
23 manner as the rate per cent of tax is extended to all other
24 taxable property in the taxing district. The method of
25 allocating taxes established under this Section shall
26 terminate when the municipality adopts an ordinance dissolving

1 the special tax allocation fund for the economic development
2 project area, terminating the economic development project
3 area, and terminating the use of tax increment allocation
4 financing for the economic development project area. This Act
5 shall not be construed as relieving property owners within an
6 economic development project area from paying a uniform rate of
7 taxes upon the current equalized assessed value of their
8 taxable property as provided in the Property Tax Code.

9 (c) Beginning January 1, 2011, each year, the initial
10 equalized assessed value must be increased over the initial
11 equalized assessed value of the previous year by the annual
12 rate of increase, for the previous calendar year, of the
13 Consumer Price Index for All Urban Consumers for all items,
14 published by the United States Bureau of Labor Statistics.

15 (Source: P.A. 95-644, eff. 10-12-07.)

16 Section 10. The County Economic Development Project Area
17 Property Tax Allocation Act is amended by changing Section 6 as
18 follows:

19 (55 ILCS 85/6) (from Ch. 34, par. 7006)

20 Sec. 6. Filing with county clerk; certification of initial
21 equalized assessed value.

22 (a) The county shall file a certified copy of any ordinance
23 authorizing property tax allocation financing for an economic
24 development project area with the county clerk, and the county

1 clerk shall immediately thereafter determine (1) the most
2 recently ascertained equalized assessed value of each lot,
3 block, tract or parcel of real property within the economic
4 development project area from which shall be deducted the
5 homestead exemptions under Article 15 of the Property Tax Code,
6 which value shall be the "initial equalized assessed value" of
7 each such piece of property, and (2) the total equalized
8 assessed value of all taxable real property within the economic
9 development project area by adding together the most recently
10 ascertained equalized assessed value of each taxable lot,
11 block, tract, or parcel of real property within such economic
12 development project area, from which shall be deducted the
13 homestead exemptions provided by Sections 15-170, 15-175, and
14 15-176 of the Property Tax Code. Upon receiving written notice
15 from the Department of its approval and certification of such
16 economic development project area, the county clerk shall
17 immediately certify such amount as the "total initial equalized
18 assessed value" of the taxable property within the economic
19 development project area.

20 (b) After the county clerk has certified the "total initial
21 equalized assessed value" of the taxable real property in the
22 economic development project area, then in respect to every
23 taxing district containing an economic development project
24 area, the county clerk or any other official required by law to
25 ascertain the amount of the equalized assessed value of all
26 taxable property within that taxing district for the purpose of

1 computing the rate percent of tax to be extended upon taxable
2 property within the taxing district, shall in every year that
3 property tax allocation financing is in effect ascertain the
4 amount of value of taxable property in an economic development
5 project area by including in that amount the lower of the
6 current equalized assessed value or the certified "total
7 initial equalized assessed value" of all taxable real property
8 in such area. The rate percent of tax determined shall be
9 extended to the current equalized assessed value of all
10 property in the economic development project area in the same
11 manner as the rate percent of tax is extended to all other
12 taxable property in the taxing district. The method of
13 allocating taxes established under this Section shall
14 terminate when the county adopts an ordinance dissolving the
15 special tax allocation fund for the economic development
16 project area. This Act shall not be construed as relieving
17 property owners within an economic development project area
18 from paying a uniform rate of taxes upon the current equalized
19 assessed value of their taxable property as provided in the
20 Property Tax Code.

21 (c) Beginning January 1, 2011, each year, the initial
22 equalized assessed value must be increased over the initial
23 equalized assessed value of the previous year by the annual
24 rate of increase, for the previous calendar year, of the
25 Consumer Price Index for All Urban Consumers for all items,
26 published by the United States Bureau of Labor Statistics.

1 (Source: P.A. 95-644, eff. 10-12-07.)

2 Section 15. The County Economic Development Project Area
3 Tax Increment Allocation Act of 1991 is amended by changing
4 Section 45 as follows:

5 (55 ILCS 90/45) (from Ch. 34, par. 8045)

6 Sec. 45. Filing with county clerk; certification of initial
7 equalized assessed value.

8 (a) A county that has by ordinance approved an economic
9 development plan, established an economic development project
10 area, and adopted tax increment allocation financing for that
11 area shall file certified copies of the ordinance or ordinances
12 with the county clerk. Upon receiving the ordinance or
13 ordinances, the county clerk shall immediately determine (i)
14 the most recently ascertained equalized assessed value of each
15 lot, block, tract, or parcel of real property within the
16 economic development project area from which shall be deducted
17 the homestead exemptions under Article 15 of the Property Tax
18 Code (that value being the "initial equalized assessed value"
19 of each such piece of property) and (ii) the total equalized
20 assessed value of all taxable real property within the economic
21 development project area by adding together the most recently
22 ascertained equalized assessed value of each taxable lot,
23 block, tract, or parcel of real property within the economic
24 development project area, from which shall be deducted the

1 homestead exemptions under Article 15 of the Property Tax Code,
2 and shall certify that amount as the "total initial equalized
3 assessed value" of the taxable real property within the
4 economic development project area.

5 (b) After the county clerk has certified the "total initial
6 equalized assessed value" of the taxable real property in the
7 economic development project area, then in respect to every
8 taxing district containing an economic development project
9 area, the county clerk or any other official required by law to
10 ascertain the amount of the equalized assessed value of all
11 taxable property within the taxing district for the purpose of
12 computing the rate per cent of tax to be extended upon taxable
13 property within the taxing district shall, in every year that
14 tax increment allocation financing is in effect, ascertain the
15 amount of value of taxable property in an economic development
16 project area by including in that amount the lower of the
17 current equalized assessed value or the certified "total
18 initial equalized assessed value" of all taxable real property
19 in the area. The rate per cent of tax determined shall be
20 extended to the current equalized assessed value of all
21 property in the economic development project area in the same
22 manner as the rate per cent of tax is extended to all other
23 taxable property in the taxing district. The method of
24 extending taxes established under this Section shall terminate
25 when the county adopts an ordinance dissolving the special tax
26 allocation fund for the economic development project area. This

1 Act shall not be construed as relieving property owners within
2 an economic development project area from paying a uniform rate
3 of taxes upon the current equalized assessed value of their
4 taxable property as provided in the Property Tax Code.

5 (c) Beginning January 1, 2011, each year, the initial
6 equalized assessed value must be increased over the initial
7 equalized assessed value of the previous year by the annual
8 rate of increase, for the previous calendar year, of the
9 Consumer Price Index for All Urban Consumers for all items,
10 published by the United States Bureau of Labor Statistics.

11 (Source: P.A. 95-644, eff. 10-12-07.)

12 Section 20. The Illinois Municipal Code is amended by
13 changing Section 11-74.4-9 as follows:

14 (65 ILCS 5/11-74.4-9) (from Ch. 24, par. 11-74.4-9)

15 Sec. 11-74.4-9. Equalized assessed value of property.

16 (a) If a municipality by ordinance provides for tax
17 increment allocation financing pursuant to Section 11-74.4-8,
18 the county clerk immediately thereafter shall determine (1) the
19 most recently ascertained equalized assessed value of each lot,
20 block, tract or parcel of real property within such
21 redevelopment project area from which shall be deducted the
22 homestead exemptions under Article 15 of the Property Tax Code,
23 which value shall be the "initial equalized assessed value" of
24 each such piece of property, and (2) the total equalized

1 assessed value of all taxable real property within such
2 redevelopment project area by adding together the most recently
3 ascertained equalized assessed value of each taxable lot,
4 block, tract, or parcel of real property within such project
5 area, from which shall be deducted the homestead exemptions
6 provided by Sections 15-170, 15-175, and 15-176 of the Property
7 Tax Code, and shall certify such amount as the "total initial
8 equalized assessed value" of the taxable real property within
9 such project area.

10 (b) In reference to any municipality which has adopted tax
11 increment financing after January 1, 1978, and in respect to
12 which the county clerk has certified the "total initial
13 equalized assessed value" of the property in the redevelopment
14 area, the municipality may thereafter request the clerk in
15 writing to adjust the initial equalized value of all taxable
16 real property within the redevelopment project area by
17 deducting therefrom the exemptions under Article 15 of the
18 Property Tax Code applicable to each lot, block, tract or
19 parcel of real property within such redevelopment project area.
20 The county clerk shall immediately after the written request to
21 adjust the total initial equalized value is received determine
22 the total homestead exemptions in the redevelopment project
23 area provided by Sections 15-170, 15-175, and 15-176 of the
24 Property Tax Code by adding together the homestead exemptions
25 provided by said Sections on each lot, block, tract or parcel
26 of real property within such redevelopment project area and

1 then shall deduct the total of said exemptions from the total
2 initial equalized assessed value. The county clerk shall then
3 promptly certify such amount as the "total initial equalized
4 assessed value as adjusted" of the taxable real property within
5 such redevelopment project area.

6 (b-5) Beginning January 1, 2011, each year, the initial
7 equalized assessed value must be increased over the initial
8 equalized assessed value of the previous year by the annual
9 rate of increase, for the previous calendar year, of the
10 Consumer Price Index for All Urban Consumers for all items,
11 published by the United States Bureau of Labor Statistics.

12 (c) After the county clerk has certified the "total initial
13 equalized assessed value" of the taxable real property in such
14 area, then in respect to every taxing district containing a
15 redevelopment project area, the county clerk or any other
16 official required by law to ascertain the amount of the
17 equalized assessed value of all taxable property within such
18 district for the purpose of computing the rate per cent of tax
19 to be extended upon taxable property within such district,
20 shall in every year that tax increment allocation financing is
21 in effect ascertain the amount of value of taxable property in
22 a redevelopment project area by including in such amount the
23 lower of the current equalized assessed value or the certified
24 "total initial equalized assessed value" of all taxable real
25 property in such area, except that after he has certified the
26 "total initial equalized assessed value as adjusted" he shall

1 in the year of said certification if tax rates have not been
2 extended and in every year thereafter that tax increment
3 allocation financing is in effect ascertain the amount of value
4 of taxable property in a redevelopment project area by
5 including in such amount the lower of the current equalized
6 assessed value or the certified "total initial equalized
7 assessed value as adjusted" of all taxable real property in
8 such area. The rate per cent of tax determined shall be
9 extended to the current equalized assessed value of all
10 property in the redevelopment project area in the same manner
11 as the rate per cent of tax is extended to all other taxable
12 property in the taxing district. The method of extending taxes
13 established under this Section shall terminate when the
14 municipality adopts an ordinance dissolving the special tax
15 allocation fund for the redevelopment project area. This
16 Division shall not be construed as relieving property owners
17 within a redevelopment project area from paying a uniform rate
18 of taxes upon the current equalized assessed value of their
19 taxable property as provided in the Property Tax Code.

20 (Source: P.A. 95-644, eff. 10-12-07.)

21 Section 25. The Economic Development Project Area Tax
22 Increment Allocation Act of 1995 is amended by changing Section
23 45 as follows:

24 (65 ILCS 110/45)

1 Sec. 45. Filing with county clerk; certification of initial
2 equalized assessed value.

3 (a) A municipality that has by ordinance approved an
4 economic development plan, established an economic development
5 project area, and adopted tax increment allocation financing
6 for that area shall file certified copies of the ordinance or
7 ordinances with the county clerk. Upon receiving the ordinance
8 or ordinances, the county clerk shall immediately determine (i)
9 the most recently ascertained equalized assessed value of each
10 lot, block, tract, or parcel of real property within the
11 economic development project area from which shall be deducted
12 the homestead exemptions under Article 15 of the Property Tax
13 Code (that value being the "initial equalized assessed value"
14 of each such piece of property) and (ii) the total equalized
15 assessed value of all taxable real property within the economic
16 development project area by adding together the most recently
17 ascertained equalized assessed value of each taxable lot,
18 block, tract, or parcel of real property within the economic
19 development project area, from which shall be deducted the
20 homestead exemptions provided by Sections 15-170, 15-175, and
21 15-176 of the Property Tax Code, and shall certify that amount
22 as the "total initial equalized assessed value" of the taxable
23 real property within the economic development project area.

24 (b) After the county clerk has certified the "total initial
25 equalized assessed value" of the taxable real property in the
26 economic development project area, then in respect to every

1 taxing district containing an economic development project
2 area, the county clerk or any other official required by law to
3 ascertain the amount of the equalized assessed value of all
4 taxable property within the taxing district for the purpose of
5 computing the rate per cent of tax to be extended upon taxable
6 property within the taxing district shall, in every year that
7 tax increment allocation financing is in effect, ascertain the
8 amount of value of taxable property in an economic development
9 project area by including in that amount the lower of the
10 current equalized assessed value or the certified "total
11 initial equalized assessed value" of all taxable real property
12 in the area. The rate per cent of tax determined shall be
13 extended to the current equalized assessed value of all
14 property in the economic development project area in the same
15 manner as the rate per cent of tax is extended to all other
16 taxable property in the taxing district. The method of
17 extending taxes established under this Section shall terminate
18 when the municipality adopts an ordinance dissolving the
19 special tax allocation fund for the economic development
20 project area. This Act shall not be construed as relieving
21 owners or lessees of property within an economic development
22 project area from paying a uniform rate of taxes upon the
23 current equalized assessed value of their taxable property as
24 provided in the Property Tax Code.

25 (c) Beginning January 1, 2011, each year, the initial
26 equalized assessed value must be increased over the initial

1 equalized assessed value of the previous year by the annual
2 rate of increase, for the previous calendar year, of the
3 Consumer Price Index for All Urban Consumers for all items,
4 published by the United States Bureau of Labor Statistics.

5 (Source: P.A. 95-644, eff. 10-12-07.)

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