

1 AN ACT concerning State government.

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

4 Section 5. The Department of Revenue Law of the Civil
5 Administrative Code of Illinois is amended by adding Section
6 2505-560 as follows:

7 (20 ILCS 2505/2505-560 new)

8 Sec. 2505-560. Taxpayer Action Boards.

9 (a) The purpose of this Section is to advance the health,
10 welfare, and prosperity of all citizens of this State by
11 promoting "sunshine in assessments" and transparency reforms.
12 This purpose shall be deemed a statewide interest and not a
13 private or special concern.

14 (b) There are hereby created 7 Taxpayer Action Boards
15 within the Department of Revenue, one for each of the following
16 counties: Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will.
17 The Governor shall name 7 people to be members of each board.
18 These members shall serve 2-year terms. Members shall serve
19 without compensation, except to the extent those members are
20 employees of the Department of Revenue. The boards shall exist
21 and function at no additional cost to the State.

22 (c) Each board shall perform the following functions:

23 (1) oversee the implementation of Public Act 96-122,

1 with particular emphasis on the transparency and
2 disclosure provisions of that Public Act;

3 (2) make recommendations about other useful
4 disclosures in addition to those required by P.A. 96-122;

5 (3) make recommendations concerning the implementation
6 of the transparency reform provisions of P.A. 96-122 in its
7 county;

8 (4) conduct a study that (i) critically evaluates the
9 manner in which its county assesses residential property
10 and (ii) examines the accuracy of computer-assisted mass
11 appraisal; as part of its study, each board shall conduct
12 at least 2 public hearings;

13 (5) issue a report summarizing its findings within 180
14 days after the effective date of this amendatory Act of the
15 96th General Assembly and submit this report to the
16 Governor and General Assembly;

17 (6) maintain and administer a website cataloging
18 taxpayer assistance information linked to the Department
19 of Revenue's website;

20 (7) propose to its county government changes, if
21 appropriate, to property tax policies and procedures; and

22 (8) propose to the Department of Revenue changes, if
23 appropriate, to property tax policies and procedures.

24 (d) The Department of Revenue shall oversee implementation
25 of P.A. 96-122 in all counties other than Cook, DuPage, Kane,
26 Kendall, Lake, McHenry, and Will.

1 Section 10. The Property Tax Code is amended by changing
2 Sections 15-167, 15-169, 15-170, and 15-176 as follows:

3 (35 ILCS 200/15-167)

4 Sec. 15-167. Returning Veterans' Homestead Exemption.

5 (a) Beginning with taxable year 2007, a homestead
6 exemption, limited to a reduction set forth under subsection
7 (b), from the property's value, as equalized or assessed by the
8 Department, is granted for property that is owned and occupied
9 as the principal residence of a veteran returning from an armed
10 conflict involving the armed forces of the United States who is
11 liable for paying real estate taxes on the property and is an
12 owner of record of the property or has a legal or equitable
13 interest therein as evidenced by a written instrument, except
14 for a leasehold interest, other than a leasehold interest of
15 land on which a single family residence is located, which is
16 occupied as the principal residence of a veteran returning from
17 an armed conflict involving the armed forces of the United
18 States who has an ownership interest therein, legal, equitable
19 or as a lessee, and on which he or she is liable for the payment
20 of property taxes. For purposes of the exemption under this
21 Section, "veteran" means an Illinois resident who has served as
22 a member of the United States Armed Forces, a member of the
23 Illinois National Guard, or a member of the United States
24 Reserve Forces.

1 (b) In all counties, the reduction is \$5,000 and only for
2 the taxable year in which the veteran returns from active duty
3 in an armed conflict involving the armed forces of the United
4 States. Beginning in taxable year 2010, the reduction shall
5 also be allowed for the taxable year after the taxable year in
6 which the veteran returns from active duty in an armed conflict
7 involving the armed forces of the United States. For land
8 improved with an apartment building owned and operated as a
9 cooperative, the maximum reduction from the value of the
10 property, as equalized by the Department, must be multiplied by
11 the number of apartments or units occupied by a veteran
12 returning from an armed conflict involving the armed forces of
13 the United States who is liable, by contract with the owner or
14 owners of record, for paying property taxes on the property and
15 is an owner of record of a legal or equitable interest in the
16 cooperative apartment building, other than a leasehold
17 interest. In a cooperative where a homestead exemption has been
18 granted, the cooperative association or the management firm of
19 the cooperative or facility shall credit the savings resulting
20 from that exemption only to the apportioned tax liability of
21 the owner or resident who qualified for the exemption. Any
22 person who willfully refuses to so credit the savings is guilty
23 of a Class B misdemeanor.

24 (c) Application must be made during the application period
25 in effect for the county of his or her residence. The assessor
26 or chief county assessment officer may determine the

1 eligibility of residential property to receive the homestead
2 exemption provided by this Section by application, visual
3 inspection, questionnaire, or other reasonable methods. The
4 determination must be made in accordance with guidelines
5 established by the Department.

6 (d) The exemption under this Section is in addition to any
7 other homestead exemption provided in this Article 15.
8 Notwithstanding Sections 6 and 8 of the State Mandates Act, no
9 reimbursement by the State is required for the implementation
10 of any mandate created by this Section.

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

12 (35 ILCS 200/15-169)

13 Sec. 15-169. Disabled veterans standard homestead
14 exemption.

15 (a) Beginning with taxable year 2007, an annual homestead
16 exemption, limited to the amounts set forth in subsection (b),
17 is granted for property that is used as a qualified residence
18 by a disabled veteran.

19 (b) The amount of the exemption under this Section is as
20 follows:

21 (1) for veterans with a service-connected disability
22 of at least (i) 75% for exemptions granted in taxable years
23 2007 through 2009 and (ii) 70% for exemptions granted in
24 taxable year 2010 and each taxable year thereafter, as
25 certified by the United States Department of Veterans

1 Affairs, the annual exemption is \$5,000; and

2 (2) for veterans with a service-connected disability
3 of at least 50%, but less than (i) 75% for exemptions
4 granted in taxable years 2007 through 2009 and (ii) 70% for
5 exemptions granted in taxable year 2010 and each taxable
6 year thereafter, as certified by the United States
7 Department of Veterans Affairs, the annual exemption is
8 \$2,500.

9 (c) The tax exemption under this Section carries over to
10 the benefit of the veteran's surviving spouse as long as the
11 spouse holds the legal or beneficial title to the homestead,
12 permanently resides thereon, and does not remarry. If the
13 surviving spouse sells the property, an exemption not to exceed
14 the amount granted from the most recent ad valorem tax roll may
15 be transferred to his or her new residence as long as it is
16 used as his or her primary residence and he or she does not
17 remarry.

18 (d) The exemption under this Section applies for taxable
19 year 2007 and thereafter. A taxpayer who claims an exemption
20 under Section 15-165 or 15-168 may not claim an exemption under
21 this Section.

22 (e) Each taxpayer who has been granted an exemption under
23 this Section must reapply on an annual basis. Application must
24 be made during the application period in effect for the county
25 of his or her residence. The assessor or chief county
26 assessment officer may determine the eligibility of

1 residential property to receive the homestead exemption
2 provided by this Section by application, visual inspection,
3 questionnaire, or other reasonable methods. The determination
4 must be made in accordance with guidelines established by the
5 Department.

6 (f) For the purposes of this Section:

7 "Qualified residence" means real property, but less any
8 portion of that property that is used for commercial purposes,
9 with an equalized assessed value of less than \$250,000 that is
10 the disabled veteran's primary residence. Property rented for
11 more than 6 months is presumed to be used for commercial
12 purposes.

13 "Veteran" means an Illinois resident who has served as a
14 member of the United States Armed Forces on active duty or
15 State active duty, a member of the Illinois National Guard, or
16 a member of the United States Reserve Forces and who has
17 received an honorable discharge.

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

19 (35 ILCS 200/15-170)

20 (Text of Section before amendment by P.A. 96-339)

21 Sec. 15-170. Senior Citizens Homestead Exemption. An
22 annual homestead exemption limited, except as described here
23 with relation to cooperatives or life care facilities, to a
24 maximum reduction set forth below from the property's value, as
25 equalized or assessed by the Department, is granted for

1 property that is occupied as a residence by a person 65 years
2 of age or older who is liable for paying real estate taxes on
3 the property and is an owner of record of the property or has a
4 legal or equitable interest therein as evidenced by a written
5 instrument, except for a leasehold interest, other than a
6 leasehold interest of land on which a single family residence
7 is located, which is occupied as a residence by a person 65
8 years or older who has an ownership interest therein, legal,
9 equitable or as a lessee, and on which he or she is liable for
10 the payment of property taxes. Before taxable year 2004, the
11 maximum reduction shall be \$2,500 in counties with 3,000,000 or
12 more inhabitants and \$2,000 in all other counties. For taxable
13 years 2004 through 2005, the maximum reduction shall be \$3,000
14 in all counties. For taxable years 2006 and 2007, the maximum
15 reduction shall be \$3,500 and, for taxable years 2008 and
16 thereafter, the maximum reduction is \$4,000 in all counties.

17 For land improved with an apartment building owned and
18 operated as a cooperative, the maximum reduction from the value
19 of the property, as equalized by the Department, shall be
20 multiplied by the number of apartments or units occupied by a
21 person 65 years of age or older who is liable, by contract with
22 the owner or owners of record, for paying property taxes on the
23 property and is an owner of record of a legal or equitable
24 interest in the cooperative apartment building, other than a
25 leasehold interest. For land improved with a life care
26 facility, the maximum reduction from the value of the property,

1 as equalized by the Department, shall be multiplied by the
2 number of apartments or units occupied by persons 65 years of
3 age or older, irrespective of any legal, equitable, or
4 leasehold interest in the facility, who are liable, under a
5 contract with the owner or owners of record of the facility,
6 for paying property taxes on the property. In a cooperative or
7 a life care facility where a homestead exemption has been
8 granted, the cooperative association or the management firm of
9 the cooperative or facility shall credit the savings resulting
10 from that exemption only to the apportioned tax liability of
11 the owner or resident who qualified for the exemption. Any
12 person who willfully refuses to so credit the savings shall be
13 guilty of a Class B misdemeanor. Under this Section and
14 Sections 15-175, 15-176, and 15-177, "life care facility" means
15 a facility, as defined in Section 2 of the Life Care Facilities
16 Act, with which the applicant for the homestead exemption has a
17 life care contract as defined in that Act.

18 When a homestead exemption has been granted under this
19 Section and the person qualifying subsequently becomes a
20 resident of a facility licensed under the Assisted Living and
21 Shared Housing Act or the Nursing Home Care Act, the exemption
22 shall continue so long as the residence continues to be
23 occupied by the qualifying person's spouse if the spouse is 65
24 years of age or older, or if the residence remains unoccupied
25 but is still owned by the person qualified for the homestead
26 exemption.

1 A person who will be 65 years of age during the current
2 assessment year shall be eligible to apply for the homestead
3 exemption during that assessment year. Application shall be
4 made during the application period in effect for the county of
5 his residence.

6 Beginning with assessment year 2003, for taxes payable in
7 2004, property that is first occupied as a residence after
8 January 1 of any assessment year by a person who is eligible
9 for the senior citizens homestead exemption under this Section
10 must be granted a pro-rata exemption for the assessment year.
11 The amount of the pro-rata exemption is the exemption allowed
12 in the county under this Section divided by 365 and multiplied
13 by the number of days during the assessment year the property
14 is occupied as a residence by a person eligible for the
15 exemption under this Section. The chief county assessment
16 officer must adopt reasonable procedures to establish
17 eligibility for this pro-rata exemption.

18 The assessor or chief county assessment officer may
19 determine the eligibility of a life care facility to receive
20 the benefits provided by this Section, by affidavit,
21 application, visual inspection, questionnaire or other
22 reasonable methods in order to insure that the tax savings
23 resulting from the exemption are credited by the management
24 firm to the apportioned tax liability of each qualifying
25 resident. The assessor may request reasonable proof that the
26 management firm has so credited the exemption.

1 The chief county assessment officer of each county with
2 less than 3,000,000 inhabitants shall provide to each person
3 allowed a homestead exemption under this Section a form to
4 designate any other person to receive a duplicate of any notice
5 of delinquency in the payment of taxes assessed and levied
6 under this Code on the property of the person receiving the
7 exemption. The duplicate notice shall be in addition to the
8 notice required to be provided to the person receiving the
9 exemption, and shall be given in the manner required by this
10 Code. The person filing the request for the duplicate notice
11 shall pay a fee of \$5 to cover administrative costs to the
12 supervisor of assessments, who shall then file the executed
13 designation with the county collector. Notwithstanding any
14 other provision of this Code to the contrary, the filing of
15 such an executed designation requires the county collector to
16 provide duplicate notices as indicated by the designation. A
17 designation may be rescinded by the person who executed such
18 designation at any time, in the manner and form required by the
19 chief county assessment officer.

20 The assessor or chief county assessment officer may
21 determine the eligibility of residential property to receive
22 the homestead exemption provided by this Section by
23 application, visual inspection, questionnaire or other
24 reasonable methods. The determination shall be made in
25 accordance with guidelines established by the Department.

26 In counties with 3,000,000 or more inhabitants, beginning

1 in taxable year 2010, each taxpayer who has been granted an
2 exemption under this Section must reapply on an annual basis.
3 The chief county assessment officer shall mail the application
4 to the taxpayer. In counties with less than 3,000,000
5 inhabitants, the county board may by resolution provide that if
6 a person has been granted a homestead exemption under this
7 Section, the person qualifying need not reapply for the
8 exemption.

9 In counties with less than 3,000,000 inhabitants, if the
10 assessor or chief county assessment officer requires annual
11 application for verification of eligibility for an exemption
12 once granted under this Section, the application shall be
13 mailed to the taxpayer.

14 The assessor or chief county assessment officer shall
15 notify each person who qualifies for an exemption under this
16 Section that the person may also qualify for deferral of real
17 estate taxes under the Senior Citizens Real Estate Tax Deferral
18 Act. The notice shall set forth the qualifications needed for
19 deferral of real estate taxes, the address and telephone number
20 of county collector, and a statement that applications for
21 deferral of real estate taxes may be obtained from the county
22 collector.

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

26 (Source: P.A. 95-644, eff. 10-12-07; 95-876, eff. 8-21-08;

1 96-355, eff. 1-1-10.)

2 (Text of Section after amendment by P.A. 96-339)

3 Sec. 15-170. Senior Citizens Homestead Exemption. An
4 annual homestead exemption limited, except as described here
5 with relation to cooperatives or life care facilities, to a
6 maximum reduction set forth below from the property's value, as
7 equalized or assessed by the Department, is granted for
8 property that is occupied as a residence by a person 65 years
9 of age or older who is liable for paying real estate taxes on
10 the property and is an owner of record of the property or has a
11 legal or equitable interest therein as evidenced by a written
12 instrument, except for a leasehold interest, other than a
13 leasehold interest of land on which a single family residence
14 is located, which is occupied as a residence by a person 65
15 years or older who has an ownership interest therein, legal,
16 equitable or as a lessee, and on which he or she is liable for
17 the payment of property taxes. Before taxable year 2004, the
18 maximum reduction shall be \$2,500 in counties with 3,000,000 or
19 more inhabitants and \$2,000 in all other counties. For taxable
20 years 2004 through 2005, the maximum reduction shall be \$3,000
21 in all counties. For taxable years 2006 and 2007, the maximum
22 reduction shall be \$3,500 and, for taxable years 2008 and
23 thereafter, the maximum reduction is \$4,000 in all counties.

24 For land improved with an apartment building owned and
25 operated as a cooperative, the maximum reduction from the value

1 of the property, as equalized by the Department, shall be
2 multiplied by the number of apartments or units occupied by a
3 person 65 years of age or older who is liable, by contract with
4 the owner or owners of record, for paying property taxes on the
5 property and is an owner of record of a legal or equitable
6 interest in the cooperative apartment building, other than a
7 leasehold interest. For land improved with a life care
8 facility, the maximum reduction from the value of the property,
9 as equalized by the Department, shall be multiplied by the
10 number of apartments or units occupied by persons 65 years of
11 age or older, irrespective of any legal, equitable, or
12 leasehold interest in the facility, who are liable, under a
13 contract with the owner or owners of record of the facility,
14 for paying property taxes on the property. In a cooperative or
15 a life care facility where a homestead exemption has been
16 granted, the cooperative association or the management firm of
17 the cooperative or facility shall credit the savings resulting
18 from that exemption only to the apportioned tax liability of
19 the owner or resident who qualified for the exemption. Any
20 person who willfully refuses to so credit the savings shall be
21 guilty of a Class B misdemeanor. Under this Section and
22 Sections 15-175, 15-176, and 15-177, "life care facility" means
23 a facility, as defined in Section 2 of the Life Care Facilities
24 Act, with which the applicant for the homestead exemption has a
25 life care contract as defined in that Act.

26 When a homestead exemption has been granted under this

1 Section and the person qualifying subsequently becomes a
2 resident of a facility licensed under the Assisted Living and
3 Shared Housing Act, ~~or~~ the Nursing Home Care Act, or the MR/DD
4 Community Care Act, the exemption shall continue so long as the
5 residence continues to be occupied by the qualifying person's
6 spouse if the spouse is 65 years of age or older, or if the
7 residence remains unoccupied but is still owned by the person
8 qualified for the homestead exemption.

9 A person who will be 65 years of age during the current
10 assessment year shall be eligible to apply for the homestead
11 exemption during that assessment year. Application shall be
12 made during the application period in effect for the county of
13 his residence.

14 Beginning with assessment year 2003, for taxes payable in
15 2004, property that is first occupied as a residence after
16 January 1 of any assessment year by a person who is eligible
17 for the senior citizens homestead exemption under this Section
18 must be granted a pro-rata exemption for the assessment year.
19 The amount of the pro-rata exemption is the exemption allowed
20 in the county under this Section divided by 365 and multiplied
21 by the number of days during the assessment year the property
22 is occupied as a residence by a person eligible for the
23 exemption under this Section. The chief county assessment
24 officer must adopt reasonable procedures to establish
25 eligibility for this pro-rata exemption.

26 The assessor or chief county assessment officer may

1 determine the eligibility of a life care facility to receive
2 the benefits provided by this Section, by affidavit,
3 application, visual inspection, questionnaire or other
4 reasonable methods in order to insure that the tax savings
5 resulting from the exemption are credited by the management
6 firm to the apportioned tax liability of each qualifying
7 resident. The assessor may request reasonable proof that the
8 management firm has so credited the exemption.

9 The chief county assessment officer of each county with
10 less than 3,000,000 inhabitants shall provide to each person
11 allowed a homestead exemption under this Section a form to
12 designate any other person to receive a duplicate of any notice
13 of delinquency in the payment of taxes assessed and levied
14 under this Code on the property of the person receiving the
15 exemption. The duplicate notice shall be in addition to the
16 notice required to be provided to the person receiving the
17 exemption, and shall be given in the manner required by this
18 Code. The person filing the request for the duplicate notice
19 shall pay a fee of \$5 to cover administrative costs to the
20 supervisor of assessments, who shall then file the executed
21 designation with the county collector. Notwithstanding any
22 other provision of this Code to the contrary, the filing of
23 such an executed designation requires the county collector to
24 provide duplicate notices as indicated by the designation. A
25 designation may be rescinded by the person who executed such
26 designation at any time, in the manner and form required by the

1 chief county assessment officer.

2 The assessor or chief county assessment officer may
3 determine the eligibility of residential property to receive
4 the homestead exemption provided by this Section by
5 application, visual inspection, questionnaire or other
6 reasonable methods. The determination shall be made in
7 accordance with guidelines established by the Department.

8 In counties with 3,000,000 or more inhabitants, beginning
9 in taxable year 2010, each taxpayer who has been granted an
10 exemption under this Section must reapply on an annual basis.
11 The chief county assessment officer shall mail the application
12 to the taxpayer. In counties with less than 3,000,000
13 inhabitants, the county board may by resolution provide that if
14 a person has been granted a homestead exemption under this
15 Section, the person qualifying need not reapply for the
16 exemption.

17 In counties with less than 3,000,000 inhabitants, if the
18 assessor or chief county assessment officer requires annual
19 application for verification of eligibility for an exemption
20 once granted under this Section, the application shall be
21 mailed to the taxpayer.

22 The assessor or chief county assessment officer shall
23 notify each person who qualifies for an exemption under this
24 Section that the person may also qualify for deferral of real
25 estate taxes under the Senior Citizens Real Estate Tax Deferral
26 Act. The notice shall set forth the qualifications needed for

1 deferral of real estate taxes, the address and telephone number
2 of county collector, and a statement that applications for
3 deferral of real estate taxes may be obtained from the county
4 collector.

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

8 (Source: P.A. 95-644, eff. 10-12-07; 95-876, eff. 8-21-08;
9 96-339, eff. 7-1-10; 96-355, eff. 1-1-10; revised 9-25-09.)

10 (35 ILCS 200/15-176)

11 Sec. 15-176. Alternative general homestead exemption.

12 (a) For the assessment years as determined under subsection
13 (j), in any county that has elected, by an ordinance in
14 accordance with subsection (k), to be subject to the provisions
15 of this Section in lieu of the provisions of Section 15-175,
16 homestead property is entitled to an annual homestead exemption
17 equal to a reduction in the property's equalized assessed value
18 calculated as provided in this Section.

19 (b) As used in this Section:

20 (1) "Assessor" means the supervisor of assessments or
21 the chief county assessment officer of each county.

22 (2) "Adjusted homestead value" means the lesser of the
23 following values:

24 (A) The property's base homestead value increased
25 by 7% for each tax year after the base year through and

1 including the current tax year, or, if the property is
2 sold or ownership is otherwise transferred, the
3 property's base homestead value increased by 7% for
4 each tax year after the year of the sale or transfer
5 through and including the current tax year. The
6 increase by 7% each year is an increase by 7% over the
7 prior year.

8 (B) The property's equalized assessed value for
9 the current tax year minus: (i) \$4,500 in Cook County
10 or \$3,500 in all other counties in tax year 2003; (ii)
11 \$5,000 in all counties in tax years 2004 and 2005; and
12 (iii) the lesser of the amount of the general homestead
13 exemption under Section 15-175 or an amount equal to
14 the increase in the equalized assessed value for the
15 current tax year above the equalized assessed value for
16 1977 in tax year 2006 and thereafter.

17 (3) "Base homestead value".

18 (A) Except as provided in subdivision (b) (3) (A-5)
19 or (b) (3) (B), "base homestead value" means the
20 equalized assessed value of the property for the base
21 year prior to exemptions, minus (i) \$4,500 in Cook
22 County or \$3,500 in all other counties in tax year
23 2003, (ii) \$5,000 in all counties in tax years 2004 and
24 2005, or (iii) the lesser of the amount of the general
25 homestead exemption under Section 15-175 or an amount
26 equal to the increase in the equalized assessed value

1 for the current tax year above the equalized assessed
2 value for 1977 in tax year 2006 and thereafter,
3 provided that it was assessed for that year as
4 residential property qualified for any of the
5 homestead exemptions under Sections 15-170 through
6 15-175 of this Code, then in force, and further
7 provided that the property's assessment was not based
8 on a reduced assessed value resulting from a temporary
9 irregularity in the property for that year. Except as
10 provided in subdivision (b) (3) (B), if the property did
11 not have a residential equalized assessed value for the
12 base year, then "base homestead value" means the base
13 homestead value established by the assessor under
14 subsection (c).

15 (A-5) On or before September 1, 2007, in Cook
16 County, the base homestead value, as set forth under
17 subdivision (b) (3) (A) and except as provided under
18 subdivision (b) (3) (B), must be recalculated as the
19 equalized assessed value of the property for the base
20 year, prior to exemptions, minus:

21 (1) if the general assessment year for the
22 property was 2003, the lesser of (i) \$4,500 or (ii)
23 the amount equal to the increase in equalized
24 assessed value for the 2002 tax year above the
25 equalized assessed value for 1977;

26 (2) if the general assessment year for the

1 property was 2004, the lesser of (i) \$4,500 or (ii)
2 the amount equal to the increase in equalized
3 assessed value for the 2003 tax year above the
4 equalized assessed value for 1977;

5 (3) if the general assessment year for the
6 property was 2005, the lesser of (i) \$5,000 or (ii)
7 the amount equal to the increase in equalized
8 assessed value for the 2004 tax year above the
9 equalized assessed value for 1977.

10 (B) If the property is sold or ownership is
11 otherwise transferred, other than sales or transfers
12 between spouses or between a parent and a child, "base
13 homestead value" means the equalized assessed value of
14 the property at the time of the sale or transfer prior
15 to exemptions, minus: (i) \$4,500 in Cook County or
16 \$3,500 in all other counties in tax year 2003; (ii)
17 \$5,000 in all counties in tax years 2004 and 2005; and
18 (iii) the lesser of the amount of the general homestead
19 exemption under Section 15-175 or an amount equal to
20 the increase in the equalized assessed value for the
21 current tax year above the equalized assessed value for
22 1977 in tax year 2006 and thereafter, provided that it
23 was assessed as residential property qualified for any
24 of the homestead exemptions under Sections 15-170
25 through 15-175 of this Code, then in force, and further
26 provided that the property's assessment was not based

1 on a reduced assessed value resulting from a temporary
2 irregularity in the property.

3 (3.5) "Base year" means (i) tax year 2002 in Cook
4 County or (ii) tax year 2008 or 2009 ~~2005 or 2006~~ in all
5 other counties in accordance with the designation made by
6 the county as provided in subsection (k).

7 (4) "Current tax year" means the tax year for which the
8 exemption under this Section is being applied.

9 (5) "Equalized assessed value" means the property's
10 assessed value as equalized by the Department.

11 (6) "Homestead" or "homestead property" means:

12 (A) Residential property that as of January 1 of
13 the tax year is occupied by its owner or owners as his,
14 her, or their principal dwelling place, or that is a
15 leasehold interest on which a single family residence
16 is situated, that is occupied as a residence by a
17 person who has a legal or equitable interest therein
18 evidenced by a written instrument, as an owner or as a
19 lessee, and on which the person is liable for the
20 payment of property taxes. Residential units in an
21 apartment building owned and operated as a
22 cooperative, or as a life care facility, which are
23 occupied by persons who hold a legal or equitable
24 interest in the cooperative apartment building or life
25 care facility as owners or lessees, and who are liable
26 by contract for the payment of property taxes, shall be

1 included within this definition of homestead property.

2 (B) A homestead includes the dwelling place,
3 appurtenant structures, and so much of the surrounding
4 land constituting the parcel on which the dwelling
5 place is situated as is used for residential purposes.
6 If the assessor has established a specific legal
7 description for a portion of property constituting the
8 homestead, then the homestead shall be limited to the
9 property within that description.

10 (7) "Life care facility" means a facility as defined in
11 Section 2 of the Life Care Facilities Act.

12 (c) If the property did not have a residential equalized
13 assessed value for the base year as provided in subdivision
14 (b) (3) (A) of this Section, then the assessor shall first
15 determine an initial value for the property by comparison with
16 assessed values for the base year of other properties having
17 physical and economic characteristics similar to those of the
18 subject property, so that the initial value is uniform in
19 relation to assessed values of those other properties for the
20 base year. The product of the initial value multiplied by the
21 equalized factor for the base year for homestead properties in
22 that county, less: (i) \$4,500 in Cook County or \$3,500 in all
23 other counties in tax years 2003; (ii) \$5,000 in all counties
24 in tax year 2004 and 2005; and (iii) the lesser of the amount
25 of the general homestead exemption under Section 15-175 or an
26 amount equal to the increase in the equalized assessed value

1 for the current tax year above the equalized assessed value for
2 1977 in tax year 2006 and thereafter, is the base homestead
3 value.

4 For any tax year for which the assessor determines or
5 adjusts an initial value and hence a base homestead value under
6 this subsection (c), the initial value shall be subject to
7 review by the same procedures applicable to assessed values
8 established under this Code for that tax year.

9 (d) The base homestead value shall remain constant, except
10 that the assessor may revise it under the following
11 circumstances:

12 (1) If the equalized assessed value of a homestead
13 property for the current tax year is less than the previous
14 base homestead value for that property, then the current
15 equalized assessed value (provided it is not based on a
16 reduced assessed value resulting from a temporary
17 irregularity in the property) shall become the base
18 homestead value in subsequent tax years.

19 (2) For any year in which new buildings, structures, or
20 other improvements are constructed on the homestead
21 property that would increase its assessed value, the
22 assessor shall adjust the base homestead value as provided
23 in subsection (c) of this Section with due regard to the
24 value added by the new improvements.

25 (3) If the property is sold or ownership is otherwise
26 transferred, the base homestead value of the property shall

1 be adjusted as provided in subdivision (b) (3) (B). This item
2 (3) does not apply to sales or transfers between spouses or
3 between a parent and a child.

4 (4) the recalculation required in Cook County under
5 subdivision (b) (3) (A-5).

6 (e) The amount of the exemption under this Section is the
7 equalized assessed value of the homestead property for the
8 current tax year, minus the adjusted homestead value, with the
9 following exceptions:

10 (1) In Cook County, the exemption under this Section
11 shall not exceed \$20,000 for any taxable year through tax
12 year:

13 (i) 2005, if the general assessment year for the
14 property is 2003;

15 (ii) 2006, if the general assessment year for the
16 property is 2004; or

17 (iii) 2007, if the general assessment year for the
18 property is 2005.

19 (1.1) Thereafter, in Cook County, and in all other
20 counties, the exemption is as follows:

21 (i) if the general assessment year for the property
22 is 2006, then the exemption may not exceed: \$33,000 for
23 taxable year 2006; \$26,000 for taxable year 2007; ~~and~~
24 \$20,000 for taxable years year 2008 and 2009; \$16,000
25 for taxable year 2010; and \$12,000 for taxable year
26 2011;

1 (ii) if the general assessment year for the
2 property is 2007, then the exemption may not exceed:
3 \$33,000 for taxable year 2007; \$26,000 for taxable year
4 2008; ~~and~~ \$20,000 for taxable years ~~year~~ 2009 and 2010;
5 \$16,000 for taxable year 2011; and \$12,000 for taxable
6 year 2012; and

7 (iii) if the general assessment year for the
8 property is 2008, then the exemption may not exceed:
9 \$33,000 for taxable year 2008; \$26,000 for taxable year
10 2009; ~~and~~ \$20,000 for taxable years ~~year~~ 2010 and 2011;
11 \$16,000 for taxable year 2012; and \$12,000 for taxable
12 year 2013.

13 (1.5) In Cook County, for the 2006 taxable year only, the
14 maximum amount of the exemption set forth under subsection
15 (e) (1.1) (i) of this Section may be increased: (i) by \$7,000 if
16 the equalized assessed value of the property in that taxable
17 year exceeds the equalized assessed value of that property in
18 2002 by 100% or more; or (ii) by \$2,000 if the equalized
19 assessed value of the property in that taxable year exceeds the
20 equalized assessed value of that property in 2002 by more than
21 80% but less than 100%.

22 (2) In the case of homestead property that also
23 qualifies for the exemption under Section 15-172, the
24 property is entitled to the exemption under this Section,
25 limited to the amount of (i) \$4,500 in Cook County or
26 \$3,500 in all other counties in tax year 2003, (ii) \$5,000

1 in all counties in tax years 2004 and 2005, or (iii) the
2 lesser of the amount of the general homestead exemption
3 under Section 15-175 or an amount equal to the increase in
4 the equalized assessed value for the current tax year above
5 the equalized assessed value for 1977 in tax year 2006 and
6 thereafter.

7 (f) In the case of an apartment building owned and operated
8 as a cooperative, or as a life care facility, that contains
9 residential units that qualify as homestead property under this
10 Section, the maximum cumulative exemption amount attributed to
11 the entire building or facility shall not exceed the sum of the
12 exemptions calculated for each qualified residential unit. The
13 cooperative association, management firm, or other person or
14 entity that manages or controls the cooperative apartment
15 building or life care facility shall credit the exemption
16 attributable to each residential unit only to the apportioned
17 tax liability of the owner or other person responsible for
18 payment of taxes as to that unit. Any person who willfully
19 refuses to so credit the exemption is guilty of a Class B
20 misdemeanor.

21 (g) When married persons maintain separate residences, the
22 exemption provided under this Section shall be claimed by only
23 one such person and for only one residence.

24 (h) In the event of a sale or other transfer in ownership
25 of the homestead property, the exemption under this Section
26 shall remain in effect for the remainder of the tax year and be

1 calculated using the same base homestead value in which the
2 sale or transfer occurs, but (other than for sales or transfers
3 between spouses or between a parent and a child) shall be
4 calculated for any subsequent tax year using the new base
5 homestead value as provided in subdivision (b)(3)(B). The
6 assessor may require the new owner of the property to apply for
7 the exemption in the following year.

8 (i) The assessor may determine whether property qualifies
9 as a homestead under this Section by application, visual
10 inspection, questionnaire, or other reasonable methods. Each
11 year, at the time the assessment books are certified to the
12 county clerk by the board of review, the assessor shall furnish
13 to the county clerk a list of the properties qualified for the
14 homestead exemption under this Section. The list shall note the
15 base homestead value of each property to be used in the
16 calculation of the exemption for the current tax year.

17 (j) In counties with 3,000,000 or more inhabitants, the
18 provisions of this Section apply as follows:

19 (1) If the general assessment year for the property is
20 2003, this Section applies for assessment years 2003
21 through 2011 , ~~2004, 2005, 2006, 2007, and 2008~~.
22 Thereafter, the provisions of Section 15-175 apply.

23 (2) If the general assessment year for the property is
24 2004, this Section applies for assessment years 2004
25 through 2012 , ~~2005, 2006, 2007, 2008, and 2009~~.
26 Thereafter, the provisions of Section 15-175 apply.

1 (3) If the general assessment year for the property is
2 2005, this Section applies for assessment years 2005
3 through 2013 , ~~2006, 2007, 2008, 2009, and 2010.~~

4 Thereafter, the provisions of Section 15-175 apply.

5 In counties with less than 3,000,000 inhabitants, this
6 Section applies for assessment years (i) 2009, 2010, 2011, and
7 2012 ~~2006, 2007, and 2008, and 2009~~ if tax year 2008 ~~2005~~ is
8 the designated base year or (ii) 2010, 2011, 2012, and 2013
9 ~~2007, 2008, 2009, and 2010~~ if tax year 2009 ~~2006~~ is the
10 designated base year. Thereafter, the provisions of Section
11 15-175 apply.

12 (k) To be subject to the provisions of this Section in lieu
13 of Section 15-175, a county must adopt an ordinance to subject
14 itself to the provisions of this Section within 6 months after
15 the effective date of this amendatory Act of the 96th ~~95th~~
16 General Assembly. In a county other than Cook County, the
17 ordinance must designate either tax year 2008 ~~2005~~ or tax year
18 2009 ~~2006~~ as the base year.

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

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

23 Section 95. No acceleration or delay. Where this Act makes
24 changes in a statute that is represented in this Act by text
25 that is not yet or no longer in effect (for example, a Section

1 represented by multiple versions), the use of that text does
2 not accelerate or delay the taking effect of (i) the changes
3 made by this Act or (ii) provisions derived from any other
4 Public Act.

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