



Executive Committee

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1 AMENDMENT TO SENATE BILL 3638

2 AMENDMENT NO. _____. Amend Senate Bill 3638 by replacing
3 everything after the enacting clause with the following:

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. Homeowner Review Board.

9 (a) The purpose of this Section is to promote the health,
10 welfare, and prosperity of all citizens of this State (i) by
11 ensuring effective and democratic representation of taxpayers
12 before all units of local government that impose taxes in those
13 counties, (ii) by providing for taxpayer education on taxing
14 and spending by those units of local government, and (iii) by
15 promoting "sunshine in assessments" and transparency reforms.
16 This purpose shall be deemed a statewide interest and not a

1 private or special concern.

2 (b) There is created a Homeowner Review Board, an advisory
3 board within the Department of Revenue. The board shall consist
4 of 7 members appointed by the Governor in consultation with the
5 Director of Revenue. Members shall serve without compensation,
6 except to the extent those members are employees of the
7 Department of Revenue.

8 (c) The board shall perform the following functions:

9 (1) Oversee the implementation of P.A. 96-0122
10 (effective January 1, 2010).

11 (2) Make recommendations concerning improved
12 communications between property tax officials and
13 taxpayers in all counties of the State of Illinois.

14 (3) Make recommendations concerning the implementation
15 of the transparency reform provisions of P.A. 96-0122 in
16 all counties of the State of Illinois.

17 (4) Conduct a study on the manner in which Cook County
18 assesses property.

19 (5) Examine ways in which properties are assessed,
20 including computer assisted mass appraisal.

21 (6) Issue a report summarizing its findings within 180
22 days of the effective date of this amendatory Act of the
23 96th General Assembly.

24 (7) Maintain and administer a website cataloging
25 taxpayer assistance information linked to the Department
26 of Revenue's website.

1 (8) Conduct at least 2 public hearings to collect
2 information on the topics on which it is required to
3 report.

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

6 (35 ILCS 200/15-167)

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

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

1 a member of the United States Armed Forces, a member of the
2 Illinois National Guard, or a member of the United States
3 Reserve Forces.

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

1 (c) Application must be made during the application period
2 in effect for the county of his or her residence. The assessor
3 or chief county assessment officer may determine the
4 eligibility of residential property to receive the homestead
5 exemption provided by this Section by application, visual
6 inspection, questionnaire, or other reasonable methods. The
7 determination must be made in accordance with guidelines
8 established by the Department.

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

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

15 (35 ILCS 200/15-169)

16 Sec. 15-169. Disabled veterans standard homestead
17 exemption.

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

22 (b) The amount of the exemption under this Section is as
23 follows:

24 (1) for veterans with a service-connected disability
25 of at least (i) 75% for exemptions granted in taxable years

1 2007 through 2009 and (ii) 70% for exemptions granted in
2 taxable year 2010 and each taxable year thereafter, as
3 certified by the United States Department of Veterans
4 Affairs, the annual exemption is \$5,000; and

5 (2) for veterans with a service-connected disability
6 of at least 50%, but less than (i) 75% for exemptions
7 granted in taxable years 2007 through 2009 and (ii) 70% for
8 exemptions granted in taxable year 2010 and each taxable
9 year thereafter, as certified by the United States
10 Department of Veterans Affairs, the annual exemption is
11 \$2,500.

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

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

25 (e) Application must be made during the application period
26 in effect for the county of his or her residence. The assessor

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

7 (f) For the purposes of this Section:

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

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

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

20 (35 ILCS 200/15-170)

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

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

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

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

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

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

1 exemption.

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

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

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

1 management firm has so credited the exemption.

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

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

1 Beginning in taxable year 2010, each taxpayer who has been
2 granted an exemption under this Section must reapply on an
3 annual basis. The chief county assessment officer shall mail
4 the application to the taxpayer. ~~In counties with less than~~
5 ~~3,000,000 inhabitants, the county board may by resolution~~
6 ~~provide that if a person has been granted a homestead exemption~~
7 ~~under this Section, the person qualifying need not reapply for~~
8 ~~the 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 Beginning in taxable year 2010, each taxpayer who has been
9 granted an exemption under this Section must reapply on an
10 annual basis. The chief county assessment officer shall mail
11 the application to the taxpayer. ~~In counties with less than~~
12 ~~3,000,000 inhabitants, the county board may by resolution~~
13 ~~provide that if a person has been granted a homestead exemption~~
14 ~~under this Section, the person qualifying need not reapply for~~
15 ~~the exemption.~~

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

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

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

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

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

9 (35 ILCS 200/15-176)

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

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

18 (b) As used in this Section:

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

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

23 (A) The property's base homestead value increased
24 by 7% for each tax year after the base year through and
25 including the current tax year, or, if the property is

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

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

16 (3) "Base homestead value".

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

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

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

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

25 (2) if the general assessment year for the
26 property was 2004, the lesser of (i) \$4,500 or (ii)

1 the amount equal to the increase in equalized
2 assessed value for the 2003 tax year above the
3 equalized assessed value for 1977;

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

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

1 irregularity in the property.

2 (3.5) "Base year" means (i) tax year 2002 in Cook
3 County or (ii) tax year 2005 or 2006 in all other counties
4 in accordance with the designation made by the county as
5 provided in subsection (k).

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

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

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

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

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

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

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

1 1977 in tax year 2006 and thereafter, is the base homestead
2 value.

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

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

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

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

24 (3) If the property is sold or ownership is otherwise
25 transferred, the base homestead value of the property shall
26 be adjusted as provided in subdivision (b) (3) (B). This item

1 (3) does not apply to sales or transfers between spouses or
2 between a parent and a child.

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

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

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

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

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

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

18 (1.1) Thereafter, in Cook County, and in all other
19 counties, the exemption is as follows:

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

26 (ii) if the general assessment year for the

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

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

12 (1.5) In Cook County, for the 2006 taxable year only, the
13 maximum amount of the exemption set forth under subsection
14 (e)(1.1)(i) of this Section may be increased: (i) by \$7,000 if
15 the equalized assessed value of the property in that taxable
16 year exceeds the equalized assessed value of that property in
17 2002 by 100% or more; or (ii) by \$2,000 if the equalized
18 assessed value of the property in that taxable year exceeds the
19 equalized assessed value of that property in 2002 by more than
20 80% but less than 100%.

21 (2) In the case of homestead property that also
22 qualifies for the exemption under Section 15-172, the
23 property is entitled to the exemption under this Section,
24 limited to the amount of (i) \$4,500 in Cook County or
25 \$3,500 in all other counties in tax year 2003, (ii) \$5,000
26 in all counties in tax years 2004 and 2005, or (iii) the

1 lesser of the amount of the general homestead exemption
2 under Section 15-175 or an amount equal to the increase in
3 the equalized assessed value for the current tax year above
4 the equalized assessed value for 1977 in tax year 2006 and
5 thereafter.

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

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

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

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

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

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

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

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

26 (3) If the general assessment year for the property is

1 2005, this Section applies for assessment years 2005
2 through 2013 ~~, 2006, 2007, 2008, 2009, and 2010.~~

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

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

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

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

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

20 Section 95. No acceleration or delay. Where this Act makes
21 changes in a statute that is represented in this Act by text
22 that is not yet or no longer in effect (for example, a Section
23 represented by multiple versions), the use of that text does
24 not accelerate or delay the taking effect of (i) the changes
25 made by this Act or (ii) provisions derived from any other

1 Public Act.

2 Section 99. Effective date. This Act takes effect upon
3 becoming law.".