



Rep. Kelly M. Cassidy

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09700HB4148ham002

LRB097 17765 HLH 67216 a

1 AMENDMENT TO HOUSE BILL 4148

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 4148 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Property Tax Code is amended by adding  
5 Section 9-275 as follows:

6 (35 ILCS 200/9-275 new)

7 Sec. 9-275. Erroneous homestead exemptions.

8 (a) If, upon determination by the chief county assessment  
9 officer, any person or entity that was not eligible to receive  
10 a homestead exemption under Article 15 of this Code was granted  
11 one homestead exemption in error for real property in any year  
12 or years not to exceed the 3 assessment years prior to the  
13 assessment year in which the determination is made, then the  
14 chief county assessment officer may cause to be served, by both  
15 regular mail and certified mail, return receipt requested, on  
16 the person to whom the most recent tax bill was mailed and the

1 owner of record, a notice of intent to record a tax lien  
2 against the property with respect to which the erroneous  
3 homestead exemption was granted.

4 (b) If, upon determination by the chief county assessment  
5 officer, any person or entity that was not eligible to receive  
6 a homestead exemption under Article 15 of this Code was granted  
7 2 homestead exemptions in error for real property in any year  
8 or years not to exceed the 3 assessment years prior to the  
9 assessment year in which the determination is made, then the  
10 chief county assessment officer may cause to be served, by both  
11 regular mail and certified mail, return receipt requested, on  
12 the person to whom the most recent tax bill was mailed and the  
13 owner of record, a notice of intent to record a tax lien  
14 against the property with respect to which the erroneous  
15 homestead exemption was granted.

16 (c) If, upon determination by the chief county assessment  
17 officer, any person or entity that was not eligible to receive  
18 a homestead exemption under Article 15 of this Code was granted  
19 3 or more homestead exemptions in error for real property in  
20 any year or years not to exceed the 6 assessment years prior to  
21 the assessment year in which the determination is made, then  
22 the chief county assessment officer may cause to be served, by  
23 both regular mail and certified mail, return receipt requested,  
24 on the person to whom the most recent tax bill was mailed and  
25 the owner of record, a notice of intent to record a tax lien  
26 against the property with respect to which the erroneous

1 homestead exemption was granted.

2 (d) The notice of intent to record a tax lien described in  
3 subsections (a), (b), and (c) of this Section shall identify  
4 the property against which the lien is being sought and shall  
5 identify the assessment years in which the erroneous homestead  
6 exemption was granted.

7 In counties with 3,000,000 or more inhabitants, the notice  
8 must also include a form that the property owner may return to  
9 the chief county assessment officer to request a hearing. The  
10 property owner may request a hearing by returning the form  
11 within 30 days after service. The hearing shall be held within  
12 90 days after the property owner is served. The chief county  
13 assessment officer shall promulgate rules of service and  
14 procedure for the hearing. The chief county assessment officer  
15 must generally follow rules of evidence and practices that  
16 prevail in the county circuit courts, but, because of the  
17 nature of these proceedings, the chief county assessment  
18 officer is not bound by those rules in all particulars. The  
19 chief county assessment officer shall appoint a hearing officer  
20 to oversee the hearing. The property owner shall be allowed to  
21 present evidence to the hearing officer at the hearing. After  
22 taking into consideration all the relevant testimony and  
23 evidence, the hearing officer shall make an administrative  
24 decision on whether the property owner was erroneously granted  
25 a homestead exemption for the assessment year or years in  
26 question. The property owner may appeal the hearing officer's

1 ruling to the circuit court of the county where the property is  
2 located under the Administrative Review Law.

3 In counties with less than 3,000,000 inhabitants, the  
4 notice must also include a form that the property owner may  
5 return to the board of review to request a hearing. The  
6 property owner may request a hearing by returning the form  
7 within 30 days after service. The hearing shall be held within  
8 90 days after the property owner is served. The board of review  
9 shall follow its normal practices and procedures in conducting  
10 the hearing. The property owner shall be allowed to present  
11 evidence to the board of review. After taking into  
12 consideration all of the relevant testimony and evidence, the  
13 board of review shall issue a decision on whether the property  
14 owner was erroneously granted a homestead exemption for the  
15 assessment year or years in question. The property owner may  
16 appeal the board of review's ruling to the circuit court of the  
17 county where the property is located under the Administrative  
18 Review Law.

19 (e) A lien against the property imposed under this Section  
20 shall be filed with the county clerk and the county recorder of  
21 deeds, but may not be filed sooner than 45 days after the  
22 notice was delivered to the property owner if the property  
23 owner does not request a hearing, or, until the conclusion of  
24 the hearing and all appeals if the property owner does request  
25 a hearing.

26 (1) When a lien is filed pursuant to subsection (a) of

1       this Section, the arrearages of taxes that might have been  
2       assessed, plus 5% interest per annum, shall be charged  
3       against the property by the county clerk.

4       (2) When a lien is filed pursuant to subsection (b) of  
5       this Section, the arrearages of taxes that might have been  
6       assessed, plus a penalty of 25% of the total amount of  
7       unpaid taxes for each year and 10% interest per annum,  
8       shall be charged against the property by the county clerk.

9       (3) When a lien is filed pursuant to subsection (c) of  
10       this Section, the arrearages of taxes that might have been  
11       assessed, plus a penalty of 40% of the total amount of  
12       unpaid taxes for each year and 15% interest per annum,  
13       shall be charged against the property by the county clerk.

14       (f) If the erroneous homestead exemption was granted as a  
15       result of a clerical error or omission on the part of the chief  
16       county assessment officer, and if the owner has paid its tax  
17       bills as received for the year or years in which the error  
18       occurred, then the interest and penalties authorized by this  
19       Section shall not be chargeable to the owner. However, nothing  
20       in this Section shall prevent the collection of the principal  
21       amount of back taxes due and owing.

22       (g) If, at the hearing, the property owner establishes that  
23       it is a bona fide purchaser of the property for value, and  
24       without notice of the erroneous homestead exemption, the  
25       property owner shall not be liable for any unpaid back taxes,  
26       interest, or penalties for the period of time prior to the date

1 that the property owner purchased the property. A certified  
2 title to the property that is issued by a title company  
3 licensed to do business in the State and is free and clear of  
4 any liens imposed under subsections (a), (b), or (c) of this  
5 Section, shall be prima facie evidence that the property owner  
6 is without notice of the erroneous homestead exemption.

7 (h) When a lien is filed against the property pursuant to  
8 subsection (e) of this Section, the chief county assessment  
9 officer shall mail a copy of the lien to the person to whom the  
10 most recent tax bill was mailed and to the owner of record, and  
11 the outstanding liability created by such a lien is due and  
12 payable within 30 days after the mailing of the lien by the  
13 chief county assessment officer. Payment shall be made to the  
14 chief county assessment officer who shall, upon receipt of the  
15 full amount due, provide in reasonable form a release of the  
16 lien and shall transmit the funds received to the county  
17 treasurer for distribution as provided in subsection (i) of  
18 this Section. This liability is deemed delinquent and shall  
19 bear interest beginning on the day after the due date. Any such  
20 liability deemed delinquent after that due date shall bear  
21 interest at the rate of 1.5% per month or portion thereof until  
22 paid.

23 (i) The unpaid taxes shall be paid to the appropriate  
24 taxing districts. Interest shall be paid to the county where  
25 the property is located. The penalty shall be paid to the chief  
26 county assessment officer's office for the administration of

1 the provisions of this amendatory Act of the 97th General  
2 Assembly.

3 (j) For purposes of this Section, "homestead exemption"  
4 means an exemption under Section 15-165 (disabled veterans),  
5 15-167 (returning veterans), 15-168 (disabled persons), 15-169  
6 (disabled veterans standard homestead), 15-170 (senior  
7 citizens), 15-172 (senior citizens assessment freeze), 15-175  
8 (general homestead), 15-176 (alternative general homestead),  
9 or 15-177 (long-time occupant)."