



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB6234

Introduced 2/11/2016, by Rep. Dwight Kay

SYNOPSIS AS INTRODUCED:

30 ILCS 805/8.28
35 ILCS 200/9-275
35 ILCS 200/15-10
35 ILCS 200/15-172
35 ILCS 200/15-175

Amends the Property Tax Code. Provides that the Senior Citizens Assessment Freeze Homestead Exemption also applies to persons with a disability. Amends the State Mandates Act to make conforming changes. Effective immediately.

LRB099 18244 HLH 42614 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning revenue.

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

4 Section 5. The State Mandates Act is amended by changing
5 Section 8.28 as follows:

6 (30 ILCS 805/8.28)

7 Sec. 8.28. Exempt mandate.

8 (a) Notwithstanding Sections 6 and 8 of this Act, no
9 reimbursement by the State is required for the implementation
10 of any mandate created by Public Act 93-654, 93-677, 93-679,
11 93-689, 93-734, 93-753, 93-910, 93-917, 93-1036, 93-1038,
12 93-1079, or 93-1090.

13 (b) Notwithstanding Sections 6 and 8 of this Act, no
14 reimbursement by the State is required for the implementation
15 of any mandate created by the ~~Senior Citizens~~ Assessment Freeze
16 Homestead Exemption for Senior Citizens and Persons with a
17 Disability under Section 15-172 of the Property Tax Code, the
18 General Homestead Exemption under Section 15-175 of the
19 Property Tax Code, the alternative General Homestead Exemption
20 under Section 15-176 of the Property Tax Code, the Homestead
21 Improvements Exemption under Section 15-180 of the Property Tax
22 Code, and by Public Act 93-715.

23 (Source: P.A. 95-331, eff. 8-21-07.)

1 Section 10. The Property Tax Code is amended by changing
2 Sections 9-275, 15-10, 15-172, and 15-175 as follows:

3 (35 ILCS 200/9-275)

4 Sec. 9-275. Erroneous homestead exemptions.

5 (a) For purposes of this Section:

6 "Erroneous homestead exemption" means a homestead
7 exemption that was granted for real property in a taxable year
8 if the property was not eligible for that exemption in that
9 taxable year. If the taxpayer receives an erroneous homestead
10 exemption under a single Section of this Code for the same
11 property in multiple years, that exemption is considered a
12 single erroneous homestead exemption for purposes of this
13 Section. However, if the taxpayer receives erroneous homestead
14 exemptions under multiple Sections of this Code for the same
15 property, or if the taxpayer receives erroneous homestead
16 exemptions under the same Section of this Code for multiple
17 properties, then each of those exemptions is considered a
18 separate erroneous homestead exemption for purposes of this
19 Section.

20 "Homestead exemption" means an exemption under Section
21 15-165 (veterans with disabilities), 15-167 (returning
22 veterans), 15-168 (persons with disabilities), 15-169
23 (standard homestead for veterans with disabilities), 15-170
24 (senior citizens), 15-172 (~~senior citizens~~ assessment freeze

1 for senior citizens and persons with a disability), 15-175
2 (general homestead), 15-176 (alternative general homestead),
3 or 15-177 (long-time occupant).

4 "Erroneous exemption principal amount" means the total
5 difference between the property taxes actually billed to a
6 property index number and the amount of property taxes that
7 would have been billed but for the erroneous exemption or
8 exemptions.

9 "Taxpayer" means the property owner or leasehold owner that
10 erroneously received a homestead exemption upon property.

11 (b) Notwithstanding any other provision of law, in counties
12 with 3,000,000 or more inhabitants, the chief county assessment
13 officer shall include the following information with each
14 assessment notice sent in a general assessment year: (1) a list
15 of each homestead exemption available under Article 15 of this
16 Code and a description of the eligibility criteria for that
17 exemption; (2) a list of each homestead exemption applied to
18 the property in the current assessment year; (3) information
19 regarding penalties and interest that may be incurred under
20 this Section if the taxpayer received an erroneous homestead
21 exemption in a previous taxable year; and (4) notice of the
22 60-day grace period available under this subsection. If, within
23 60 days after receiving his or her assessment notice, the
24 taxpayer notifies the chief county assessment officer that he
25 or she received an erroneous homestead exemption in a previous
26 taxable year, and if the taxpayer pays the erroneous exemption

1 principal amount, plus interest as provided in subsection (f),
2 then the taxpayer shall not be liable for the penalties
3 provided in subsection (f) with respect to that exemption.

4 (c) In counties with 3,000,000 or more inhabitants, when
5 the chief county assessment officer determines that one or more
6 erroneous homestead exemptions was applied to the property, the
7 erroneous exemption principal amount, together with all
8 applicable interest and penalties as provided in subsections
9 (f) and (j), shall constitute a lien in the name of the People
10 of Cook County on the property receiving the erroneous
11 homestead exemption. Upon becoming aware of the existence of
12 one or more erroneous homestead exemptions, the chief county
13 assessment officer shall cause to be served, by both regular
14 mail and certified mail, a notice of discovery as set forth in
15 subsection (c-5). The chief county assessment officer in a
16 county with 3,000,000 or more inhabitants may cause a lien to
17 be recorded against property that (1) is located in the county
18 and (2) received one or more erroneous homestead exemptions if,
19 upon determination of the chief county assessment officer, the
20 taxpayer received: (A) one or 2 erroneous homestead exemptions
21 for real property, including at least one erroneous homestead
22 exemption granted for the property against which the lien is
23 sought, during any of the 3 collection years immediately prior
24 to the current collection year in which the notice of discovery
25 is served; or (B) 3 or more erroneous homestead exemptions for
26 real property, including at least one erroneous homestead

1 exemption granted for the property against which the lien is
2 sought, during any of the 6 collection years immediately prior
3 to the current collection year in which the notice of discovery
4 is served. Prior to recording the lien against the property,
5 the chief county assessment officer shall cause to be served,
6 by both regular mail and certified mail, return receipt
7 requested, on the person to whom the most recent tax bill was
8 mailed and the owner of record, a notice of intent to record a
9 lien against the property. The chief county assessment officer
10 shall cause the notice of intent to record a lien to be served
11 within 3 years from the date on which the notice of discovery
12 was served.

13 (c-5) The notice of discovery described in subsection (c)
14 shall: (1) identify, by property index number, the property for
15 which the chief county assessment officer has knowledge
16 indicating the existence of an erroneous homestead exemption;
17 (2) set forth the taxpayer's liability for principal, interest,
18 penalties, and administrative costs including, but not limited
19 to, recording fees described in subsection (f); (3) inform the
20 taxpayer that he or she will be served with a notice of intent
21 to record a lien within 3 years from the date of service of the
22 notice of discovery; and (4) inform the taxpayer that he or she
23 may pay the outstanding amount, plus interest, penalties, and
24 administrative costs at any time prior to being served with the
25 notice of intent to record a lien or within 30 days after the
26 notice of intent to record a lien is served.

1 (d) The notice of intent to record a lien described in
2 subsection (c) shall: (1) identify, by property index number,
3 the property against which the lien is being sought; (2)
4 identify each specific homestead exemption that was
5 erroneously granted and the year or years in which each
6 exemption was granted; (3) set forth the erroneous exemption
7 principal amount due and the interest amount and any penalty
8 and administrative costs due; (4) inform the taxpayer that he
9 or she may request a hearing within 30 days after service and
10 may appeal the hearing officer's ruling to the circuit court;
11 (5) inform the taxpayer that he or she may pay the erroneous
12 exemption principal amount, plus interest and penalties,
13 within 30 days after service; and (6) inform the taxpayer that,
14 if the lien is recorded against the property, the amount of the
15 lien will be adjusted to include the applicable recording fee
16 and that fees for recording a release of the lien shall be
17 incurred by the taxpayer. A lien shall not be filed pursuant to
18 this Section if the taxpayer pays the erroneous exemption
19 principal amount, plus penalties and interest, within 30 days
20 of service of the notice of intent to record a lien.

21 (e) The notice of intent to record a lien shall also
22 include a form that the taxpayer may return to the chief county
23 assessment officer to request a hearing. The taxpayer may
24 request a hearing by returning the form within 30 days after
25 service. The hearing shall be held within 90 days after the
26 taxpayer is served. The chief county assessment officer shall

1 promulgate rules of service and procedure for the hearing. The
2 chief county assessment officer must generally follow rules of
3 evidence and practices that prevail in the county circuit
4 courts, but, because of the nature of these proceedings, the
5 chief county assessment officer is not bound by those rules in
6 all particulars. The chief county assessment officer shall
7 appoint a hearing officer to oversee the hearing. The taxpayer
8 shall be allowed to present evidence to the hearing officer at
9 the hearing. After taking into consideration all the relevant
10 testimony and evidence, the hearing officer shall make an
11 administrative decision on whether the taxpayer was
12 erroneously granted a homestead exemption for the taxable year
13 in question. The taxpayer may appeal the hearing officer's
14 ruling to the circuit court of the county where the property is
15 located as a final administrative decision under the
16 Administrative Review Law.

17 (f) A lien against the property imposed under this Section
18 shall be filed with the county recorder of deeds, but may not
19 be filed sooner than 60 days after the notice of intent to
20 record a lien was delivered to the taxpayer if the taxpayer
21 does not request a hearing, or until the conclusion of the
22 hearing and all appeals if the taxpayer does request a hearing.
23 If a lien is filed pursuant to this Section and the taxpayer
24 received one or 2 erroneous homestead exemptions during any of
25 the 3 collection years immediately prior to the current
26 collection year in which the notice of discovery is served,

1 then the erroneous exemption principal amount, plus 10%
2 interest per annum or portion thereof from the date the
3 erroneous exemption principal amount would have become due if
4 properly included in the tax bill, shall be charged against the
5 property by the chief county assessment officer. However, if a
6 lien is filed pursuant to this Section and the taxpayer
7 received 3 or more erroneous homestead exemptions during any of
8 the 6 collection years immediately prior to the current
9 collection year in which the notice of discovery is served, the
10 erroneous exemption principal amount, plus a penalty of 50% of
11 the total amount of the erroneous exemption principal amount
12 for that property and 10% interest per annum or portion thereof
13 from the date the erroneous exemption principal amount would
14 have become due if properly included in the tax bill, shall be
15 charged against the property by the chief county assessment
16 officer. If a lien is filed pursuant to this Section, the
17 taxpayer shall not be liable for interest that accrues between
18 the date the notice of discovery is served and the date the
19 lien is filed. Before recording the lien with the county
20 recorder of deeds, the chief county assessment officer shall
21 adjust the amount of the lien to add administrative costs,
22 including but not limited to the applicable recording fee, to
23 the total lien amount.

24 (g) If a person received an erroneous homestead exemption
25 under Section 15-170 and: (1) the person was the spouse, child,
26 grandchild, brother, sister, niece, or nephew of the previous

1 taxpayer; and (2) the person received the property by bequest
2 or inheritance; then the person is not liable for the penalties
3 imposed under this Section for any year or years during which
4 the chief county assessment officer did not require an annual
5 application for the exemption. However, that person is
6 responsible for any interest owed under subsection (f).

7 (h) If the erroneous homestead exemption was granted as a
8 result of a clerical error or omission on the part of the chief
9 county assessment officer, and if the taxpayer has paid the tax
10 bills as received for the year in which the error occurred,
11 then the interest and penalties authorized by this Section with
12 respect to that homestead exemption shall not be chargeable to
13 the taxpayer. However, nothing in this Section shall prevent
14 the collection of the erroneous exemption principal amount due
15 and owing.

16 (i) A lien under this Section is not valid as to (1) any
17 bona fide purchaser for value without notice of the erroneous
18 homestead exemption whose rights in and to the underlying
19 parcel arose after the erroneous homestead exemption was
20 granted but before the filing of the notice of lien; or (2) any
21 mortgagee, judgment creditor, or other lienor whose rights in
22 and to the underlying parcel arose before the filing of the
23 notice of lien. A title insurance policy for the property that
24 is issued by a title company licensed to do business in the
25 State showing that the property is free and clear of any liens
26 imposed under this Section shall be prima facie evidence that

1 the taxpayer is without notice of the erroneous homestead
2 exemption. Nothing in this Section shall be deemed to impair
3 the rights of subsequent creditors and subsequent purchasers
4 under Section 30 of the Conveyances Act.

5 (j) When a lien is filed against the property pursuant to
6 this Section, the chief county assessment officer shall mail a
7 copy of the lien to the person to whom the most recent tax bill
8 was mailed and to the owner of record, and the outstanding
9 liability created by such a lien is due and payable within 30
10 days after the mailing of the lien by the chief county
11 assessment officer. This liability is deemed delinquent and
12 shall bear interest beginning on the day after the due date at
13 a rate of 1.5% per month or portion thereof. Payment shall be
14 made to the county treasurer. Upon receipt of the full amount
15 due, as determined by the chief county assessment officer, the
16 county treasurer shall distribute the amount paid as provided
17 in subsection (k). Upon presentment by the taxpayer to the
18 chief county assessment officer of proof of payment of the
19 total liability, the chief county assessment officer shall
20 provide in reasonable form a release of the lien. The release
21 of the lien provided shall clearly inform the taxpayer that it
22 is the responsibility of the taxpayer to record the lien
23 release form with the county recorder of deeds and to pay any
24 applicable recording fees.

25 (k) The county treasurer shall pay collected erroneous
26 exemption principal amounts, pro rata, to the taxing districts,

1 or their legal successors, that levied upon the subject
2 property in the taxable year or years for which the erroneous
3 homestead exemptions were granted, except as set forth in this
4 Section. The county treasurer shall deposit collected
5 penalties and interest into a special fund established by the
6 county treasurer to offset the costs of administration of the
7 provisions of this Section by the chief county assessment
8 officer's office, as appropriated by the county board. If the
9 costs of administration of this Section exceed the amount of
10 interest and penalties collected in the special fund, the chief
11 county assessor shall be reimbursed by each taxing district or
12 their legal successors for those costs. Such costs shall be
13 paid out of the funds collected by the county treasurer on
14 behalf of each taxing district pursuant to this Section.

15 (1) The chief county assessment officer in a county with
16 3,000,000 or more inhabitants shall establish an amnesty period
17 for all taxpayers owing any tax due to an erroneous homestead
18 exemption granted in a tax year prior to the 2013 tax year. The
19 amnesty period shall begin on the effective date of this
20 amendatory Act of the 98th General Assembly and shall run
21 through December 31, 2013. If, during the amnesty period, the
22 taxpayer pays the entire arrearage of taxes due for tax years
23 prior to 2013, the county clerk shall abate and not seek to
24 collect any interest or penalties that may be applicable and
25 shall not seek civil or criminal prosecution for any taxpayer
26 for tax years prior to 2013. Failure to pay all such taxes due

1 during the amnesty period established under this Section shall
2 invalidate the amnesty period for that taxpayer.

3 The chief county assessment officer in a county with
4 3,000,000 or more inhabitants shall (i) mail notice of the
5 amnesty period with the tax bills for the second installment of
6 taxes for the 2012 assessment year and (ii) as soon as possible
7 after the effective date of this amendatory Act of the 98th
8 General Assembly, publish notice of the amnesty period in a
9 newspaper of general circulation in the county. Notices shall
10 include information on the amnesty period, its purpose, and the
11 method by which to make payment.

12 Taxpayers who are a party to any criminal investigation or
13 to any civil or criminal litigation that is pending in any
14 circuit court or appellate court, or in the Supreme Court of
15 this State, for nonpayment, delinquency, or fraud in relation
16 to any property tax imposed by any taxing district located in
17 the State on the effective date of this amendatory Act of the
18 98th General Assembly may not take advantage of the amnesty
19 period.

20 A taxpayer who has claimed 3 or more homestead exemptions
21 in error shall not be eligible for the amnesty period
22 established under this subsection.

23 (Source: P.A. 98-93, eff. 7-16-13; 98-756, eff. 7-16-14;
24 98-811, eff. 1-1-15; 98-1143, eff. 1-1-15; 99-143, eff.
25 7-27-15.)

1 (35 ILCS 200/15-10)

2 Sec. 15-10. Exempt property; procedures for certification.

3 (a) All property granted an exemption by the Department
4 pursuant to the requirements of Section 15-5 and described in
5 the Sections following Section 15-30 and preceding Section
6 16-5, to the extent therein limited, is exempt from taxation.
7 In order to maintain that exempt status, the titleholder or the
8 owner of the beneficial interest of any property that is exempt
9 must file with the chief county assessment officer, on or
10 before January 31 of each year (May 31 in the case of property
11 exempted by Section 15-170), an affidavit stating whether there
12 has been any change in the ownership or use of the property,
13 the status of the owner-resident, the satisfaction by a
14 relevant hospital entity of the condition for an exemption
15 under Section 15-86, or that a veteran with a disability who
16 qualifies under Section 15-165 owned and used the property as
17 of January 1 of that year. The nature of any change shall be
18 stated in the affidavit. Failure to file an affidavit shall, in
19 the discretion of the assessment officer, constitute cause to
20 terminate the exemption of that property, notwithstanding any
21 other provision of this Code. Owners of 5 or more such exempt
22 parcels within a county may file a single annual affidavit in
23 lieu of an affidavit for each parcel. The assessment officer,
24 upon request, shall furnish an affidavit form to the owners, in
25 which the owner may state whether there has been any change in
26 the ownership or use of the property or status of the owner or

1 resident as of January 1 of that year. The owner of 5 or more
2 exempt parcels shall list all the properties giving the same
3 information for each parcel as required of owners who file
4 individual affidavits.

5 (b) However, titleholders or owners of the beneficial
6 interest in any property exempted under any of the following
7 provisions are not required to submit an annual filing under
8 this Section:

9 (1) Section 15-45 (burial grounds) in counties of less
10 than 3,000,000 inhabitants and owned by a not-for-profit
11 organization.

12 (2) Section 15-40.

13 (3) Section 15-50 (United States property).

14 (c) If there is a change in use or ownership, however,
15 notice must be filed pursuant to Section 15-20.

16 (d) An application for homestead exemptions shall be filed
17 as provided in Section 15-170 (senior citizens homestead
18 exemption), Section 15-172 (~~senior citizens~~ assessment freeze
19 homestead exemption for senior citizens and persons with a
20 disability), and Sections 15-175 (general homestead
21 exemption), 15-176 (general alternative homestead exemption),
22 and 15-177 (long-time occupant homestead exemption),
23 respectively.

24 (e) For purposes of determining satisfaction of the
25 condition for an exemption under Section 15-86:

26 (1) The "year for which exemption is sought" is the

1 year prior to the year in which the affidavit is due.

2 (2) The "hospital year" is the fiscal year of the
3 relevant hospital entity, or the fiscal year of one of the
4 hospitals in the hospital system if the relevant hospital
5 entity is a hospital system with members with different
6 fiscal years, that ends in the year prior to the year in
7 which the affidavit is due. However, if that fiscal year
8 ends 3 months or less before the date on which the
9 affidavit is due, the relevant hospital entity shall file
10 an interim affidavit based on the currently available
11 information, and shall file a supplemental affidavit
12 within 90 days of date on which the application was due, if
13 the information in the relevant hospital entity's audited
14 financial statements changes the interim affidavit's
15 statement concerning the entity's compliance with the
16 calculation required by Section 15-86.

17 (3) The affidavit shall be accompanied by an exhibit
18 prepared by the relevant hospital entity showing (A) the
19 value of the relevant hospital entity's services and
20 activities, if any, under items (1) through (7) of
21 subsection (e) of Section 15-86, stated separately for each
22 item, and (B) the value relating to the relevant hospital
23 entity's estimated property tax liability under paragraphs
24 (A), (B), and (C) of item (1) of subsection (g) of Section
25 15-86; under paragraphs (A), (B), and (C) of item (2) of
26 subsection (g) of Section 15-86; and under item (3) of

1 subsection (g) of Section 15-86.

2 (Source: P.A. 99-143, eff. 7-27-15.)

3 (35 ILCS 200/15-172)

4 Sec. 15-172. ~~Senior Citizens~~ Assessment Freeze Homestead
5 Exemption for Senior Citizens and Persons with a Disability.

6 (a) This Section may be cited as the ~~Senior Citizens~~
7 Assessment Freeze Homestead Exemption for Senior Citizens and
8 Persons with a Disability.

9 (b) As used in this Section:

10 "Applicant" means an individual who has filed an
11 application under this Section.

12 "Base amount" means the base year equalized assessed value
13 of the residence plus the first year's equalized assessed value
14 of any added improvements which increased the assessed value of
15 the residence after the base year.

16 "Base year" means the taxable year prior to the taxable
17 year for which the applicant first qualifies and applies for
18 the exemption provided that in the prior taxable year the
19 property was improved with a permanent structure that was
20 occupied as a residence by the applicant who was liable for
21 paying real property taxes on the property and who was either
22 (i) an owner of record of the property or had legal or
23 equitable interest in the property as evidenced by a written
24 instrument or (ii) had a legal or equitable interest as a
25 lessee in the parcel of property that was single family

1 residence. If in any subsequent taxable year for which the
2 applicant applies and qualifies for the exemption the equalized
3 assessed value of the residence is less than the equalized
4 assessed value in the existing base year (provided that such
5 equalized assessed value is not based on an assessed value that
6 results from a temporary irregularity in the property that
7 reduces the assessed value for one or more taxable years), then
8 that subsequent taxable year shall become the base year until a
9 new base year is established under the terms of this paragraph.
10 For taxable year 1999 only, the Chief County Assessment Officer
11 shall review (i) all taxable years for which the applicant
12 applied and qualified for the exemption and (ii) the existing
13 base year. The assessment officer shall select as the new base
14 year the year with the lowest equalized assessed value. An
15 equalized assessed value that is based on an assessed value
16 that results from a temporary irregularity in the property that
17 reduces the assessed value for one or more taxable years shall
18 not be considered the lowest equalized assessed value. The
19 selected year shall be the base year for taxable year 1999 and
20 thereafter until a new base year is established under the terms
21 of this paragraph.

22 "Chief County Assessment Officer" means the County
23 Assessor or Supervisor of Assessments of the county in which
24 the property is located.

25 "Equalized assessed value" means the assessed value as
26 equalized by the Illinois Department of Revenue.

1 "Household" means the applicant, the spouse of the
2 applicant, and all persons using the residence of the applicant
3 as their principal place of residence.

4 "Household income" means the combined income of the members
5 of a household for the calendar year preceding the taxable
6 year.

7 "Income" has the same meaning as provided in Section 3.07
8 of the Senior Citizens and Persons with Disabilities Property
9 Tax Relief Act, except that, beginning in assessment year 2001,
10 "income" does not include veteran's benefits.

11 "Internal Revenue Code of 1986" means the United States
12 Internal Revenue Code of 1986 or any successor law or laws
13 relating to federal income taxes in effect for the year
14 preceding the taxable year.

15 "Life care facility that qualifies as a cooperative" means
16 a facility as defined in Section 2 of the Life Care Facilities
17 Act.

18 "Maximum income limitation" means:

- 19 (1) \$35,000 prior to taxable year 1999;
20 (2) \$40,000 in taxable years 1999 through 2003;
21 (3) \$45,000 in taxable years 2004 through 2005;
22 (4) \$50,000 in taxable years 2006 and 2007; and
23 (5) \$55,000 in taxable year 2008 and thereafter.

24 "Person with a disability" means a person unable to engage
25 in any substantial gainful activity by reason of a medically
26 determinable physical or mental impairment that (i) can be

1 expected to result in death or (ii) has lasted or can be
2 expected to last for a continuous period of not less than 12
3 months. Persons with a disability applying for the exemption
4 under this Section must submit proof of the disability in the
5 manner prescribed by the chief county assessment officer. Proof
6 that an applicant is eligible to receive disability benefits
7 under the federal Social Security Act constitutes proof of
8 disability for purposes of this Section. Issuance of an
9 Illinois Person with a Disability Identification Card to the
10 applicant stating that the possessor is under a Class 2
11 disability, as defined in Section 4A of the Illinois
12 Identification Card Act, constitutes proof that the person is a
13 person with a disability for purposes of this Section.

14 "Residence" means the principal dwelling place and
15 appurtenant structures used for residential purposes in this
16 State occupied on January 1 of the taxable year by a household
17 and so much of the surrounding land, constituting the parcel
18 upon which the dwelling place is situated, as is used for
19 residential purposes. If the Chief County Assessment Officer
20 has established a specific legal description for a portion of
21 property constituting the residence, then that portion of
22 property shall be deemed the residence for the purposes of this
23 Section.

24 "Taxable year" means the calendar year during which ad
25 valorem property taxes payable in the next succeeding year are
26 levied.

1 (c) Beginning in (1) taxable year 1994 for senior citizens
2 and (2) taxable year 2016 for persons with a disability, an,~~a~~
3 ~~senior citizens~~ assessment freeze homestead exemption is
4 granted for real property that is improved with a permanent
5 structure that is occupied as a residence by an applicant who
6 (i) is 65 years of age or older or is a person with a disability
7 during the taxable year, (ii) has a household income that does
8 not exceed the maximum income limitation, (iii) is liable for
9 paying real property taxes on the property, and (iv) is an
10 owner of record of the property or has a legal or equitable
11 interest in the property as evidenced by a written instrument.
12 This homestead exemption shall also apply to a leasehold
13 interest in a parcel of property improved with a permanent
14 structure that is a single family residence that is occupied as
15 a residence by a person who (i) is 65 years of age or older or
16 is a person with a disability during the taxable year, (ii) has
17 a household income that does not exceed the maximum income
18 limitation, (iii) has a legal or equitable ownership interest
19 in the property as lessee, and (iv) is liable for the payment
20 of real property taxes on that property.

21 In counties of 3,000,000 or more inhabitants, the amount of
22 the exemption for all taxable years is the equalized assessed
23 value of the residence in the taxable year for which
24 application is made minus the base amount. In all other
25 counties, the amount of the exemption is as follows: (i)
26 through taxable year 2005 and for taxable year 2007 and

1 thereafter, the amount of this exemption shall be the equalized
2 assessed value of the residence in the taxable year for which
3 application is made minus the base amount; and (ii) for taxable
4 year 2006, the amount of the exemption is as follows:

5 (1) For an applicant who has a household income of
6 \$45,000 or less, the amount of the exemption is the
7 equalized assessed value of the residence in the taxable
8 year for which application is made minus the base amount.

9 (2) For an applicant who has a household income
10 exceeding \$45,000 but not exceeding \$46,250, the amount of
11 the exemption is (i) the equalized assessed value of the
12 residence in the taxable year for which application is made
13 minus the base amount (ii) multiplied by 0.8.

14 (3) For an applicant who has a household income
15 exceeding \$46,250 but not exceeding \$47,500, the amount of
16 the exemption is (i) the equalized assessed value of the
17 residence in the taxable year for which application is made
18 minus the base amount (ii) multiplied by 0.6.

19 (4) For an applicant who has a household income
20 exceeding \$47,500 but not exceeding \$48,750, the amount of
21 the exemption is (i) the equalized assessed value of the
22 residence in the taxable year for which application is made
23 minus the base amount (ii) multiplied by 0.4.

24 (5) For an applicant who has a household income
25 exceeding \$48,750 but not exceeding \$50,000, the amount of
26 the exemption is (i) the equalized assessed value of the

1 residence in the taxable year for which application is made
2 minus the base amount (ii) multiplied by 0.2.

3 When the applicant is a surviving spouse of an applicant
4 for a prior year for the same residence for which an exemption
5 under this Section has been granted, the base year and base
6 amount for that residence are the same as for the applicant for
7 the prior year.

8 Each year at the time the assessment books are certified to
9 the County Clerk, the Board of Review or Board of Appeals shall
10 give to the County Clerk a list of the assessed values of
11 improvements on each parcel qualifying for this exemption that
12 were added after the base year for this parcel and that
13 increased the assessed value of the property.

14 In the case of land improved with an apartment building
15 owned and operated as a cooperative or a building that is a
16 life care facility that qualifies as a cooperative, the maximum
17 reduction from the equalized assessed value of the property is
18 limited to the sum of the reductions calculated for each unit
19 occupied as a residence by a person or persons (i) 65 years of
20 age or older or with a disability, (ii) with a household income
21 that does not exceed the maximum income limitation, (iii) who
22 is liable, by contract with the owner or owners of record, for
23 paying real property taxes on the property, and (iv) who is an
24 owner of record of a legal or equitable interest in the
25 cooperative apartment building, other than a leasehold
26 interest. In the instance of a cooperative where a homestead

1 exemption has been granted under this Section, the cooperative
2 association or its management firm shall credit the savings
3 resulting from that exemption only to the apportioned tax
4 liability of the owner who qualified for the exemption. Any
5 person who willfully refuses to credit that savings to an owner
6 who qualifies for the exemption is guilty of a Class B
7 misdemeanor.

8 When a homestead exemption has been granted under this
9 Section and an applicant then becomes a resident of a facility
10 licensed under the Assisted Living and Shared Housing Act, the
11 Nursing Home Care Act, the Specialized Mental Health
12 Rehabilitation Act of 2013, the ID/DD Community Care Act, or
13 the MC/DD Act, the exemption shall be granted in subsequent
14 years so long as the residence (i) continues to be occupied by
15 the qualified applicant's spouse or (ii) if remaining
16 unoccupied, is still owned by the qualified applicant for the
17 homestead exemption.

18 Beginning January 1, 1997 for senior citizens and January
19 1, 2016 for persons with a disability, when an individual dies
20 who would have qualified for an exemption under this Section,
21 and the surviving spouse does not independently qualify for
22 this exemption because of age or nondisability, the exemption
23 under this Section shall be granted to the surviving spouse for
24 the taxable year preceding and the taxable year of the death,
25 provided that, except for age or nondisability, the surviving
26 spouse meets all other qualifications for the granting of this

1 exemption for those years.

2 When married persons maintain separate residences, the
3 exemption provided for in this Section may be claimed by only
4 one of such persons and for only one residence.

5 For taxable year 1994 only, in counties having less than
6 3,000,000 inhabitants, to receive the exemption, a person shall
7 submit an application by February 15, 1995 to the Chief County
8 Assessment Officer of the county in which the property is
9 located. In counties having 3,000,000 or more inhabitants, for
10 taxable year 1994 and all subsequent taxable years, to receive
11 the exemption, a person may submit an application to the Chief
12 County Assessment Officer of the county in which the property
13 is located during such period as may be specified by the Chief
14 County Assessment Officer. The Chief County Assessment Officer
15 in counties of 3,000,000 or more inhabitants shall annually
16 give notice of the application period by mail or by
17 publication. In counties having less than 3,000,000
18 inhabitants, beginning with taxable year 1995 and thereafter,
19 to receive the exemption, a person shall submit an application
20 by July 1 of each taxable year to the Chief County Assessment
21 Officer of the county in which the property is located. A
22 county may, by ordinance, establish a date for submission of
23 applications that is different than July 1. The applicant shall
24 submit with the application an affidavit of the applicant's
25 total household income, age, marital status (and if married the
26 name and address of the applicant's spouse, if known),

1 disability (if applying for the exemption as a person with a
2 disability), and principal dwelling place of members of the
3 household on January 1 of the taxable year. The Department
4 shall establish, by rule, a method for verifying the accuracy
5 of affidavits filed by applicants under this Section, and the
6 Chief County Assessment Officer may conduct audits of any
7 taxpayer claiming an exemption under this Section to verify
8 that the taxpayer is eligible to receive the exemption. Each
9 application shall contain or be verified by a written
10 declaration that it is made under the penalties of perjury. A
11 taxpayer's signing a fraudulent application under this Act is
12 perjury, as defined in Section 32-2 of the Criminal Code of
13 2012. The applications shall be clearly marked as applications
14 for the ~~Senior Citizens~~ Assessment Freeze Homestead Exemption
15 for Senior Citizens and Persons with a Disability and must
16 contain a notice that any taxpayer who receives the exemption
17 is subject to an audit by the Chief County Assessment Officer.

18 Notwithstanding any other provision to the contrary, in
19 counties having fewer than 3,000,000 inhabitants, if an
20 applicant fails to file the application required by this
21 Section in a timely manner and this failure to file is due to a
22 mental or physical condition sufficiently severe so as to
23 render the applicant incapable of filing the application in a
24 timely manner, the Chief County Assessment Officer may extend
25 the filing deadline for a period of 30 days after the applicant
26 regains the capability to file the application, but in no case

1 may the filing deadline be extended beyond 3 months of the
2 original filing deadline. In order to receive the extension
3 provided in this paragraph, the applicant shall provide the
4 Chief County Assessment Officer with a signed statement from
5 the applicant's physician stating the nature and extent of the
6 condition, that, in the physician's opinion, the condition was
7 so severe that it rendered the applicant incapable of filing
8 the application in a timely manner, and the date on which the
9 applicant regained the capability to file the application.

10 Beginning January 1, 1998, notwithstanding any other
11 provision to the contrary, in counties having fewer than
12 3,000,000 inhabitants, if an applicant fails to file the
13 application required by this Section in a timely manner and
14 this failure to file is due to a mental or physical condition
15 sufficiently severe so as to render the applicant incapable of
16 filing the application in a timely manner, the Chief County
17 Assessment Officer may extend the filing deadline for a period
18 of 3 months. In order to receive the extension provided in this
19 paragraph, the applicant shall provide the Chief County
20 Assessment Officer with a signed statement from the applicant's
21 physician stating the nature and extent of the condition, and
22 that, in the physician's opinion, the condition was so severe
23 that it rendered the applicant incapable of filing the
24 application in a timely manner.

25 In counties having less than 3,000,000 inhabitants, if an
26 applicant was denied an exemption in taxable year 1994 and the

1 denial occurred due to an error on the part of an assessment
2 official, or his or her agent or employee, then beginning in
3 taxable year 1997 the applicant's base year, for purposes of
4 determining the amount of the exemption, shall be 1993 rather
5 than 1994. In addition, in taxable year 1997, the applicant's
6 exemption shall also include an amount equal to (i) the amount
7 of any exemption denied to the applicant in taxable year 1995
8 as a result of using 1994, rather than 1993, as the base year,
9 (ii) the amount of any exemption denied to the applicant in
10 taxable year 1996 as a result of using 1994, rather than 1993,
11 as the base year, and (iii) the amount of the exemption
12 erroneously denied for taxable year 1994.

13 For purposes of this Section, a person who will be 65 years
14 of age during the current taxable year or is a person with a
15 disability during the taxable year shall be eligible to apply
16 for the homestead exemption during that taxable year.
17 Application shall be made during the application period in
18 effect for the county of his or her residence.

19 The Chief County Assessment Officer may determine the
20 eligibility of a life care facility that qualifies as a
21 cooperative to receive the benefits provided by this Section by
22 use of an affidavit, application, visual inspection,
23 questionnaire, or other reasonable method in order to insure
24 that the tax savings resulting from the exemption are credited
25 by the management firm to the apportioned tax liability of each
26 qualifying resident. The Chief County Assessment Officer may

1 request reasonable proof that the management firm has so
2 credited that exemption.

3 Except as provided in this Section, all information
4 received by the chief county assessment officer or the
5 Department from applications filed under this Section, or from
6 any investigation conducted under the provisions of this
7 Section, shall be confidential, except for official purposes or
8 pursuant to official procedures for collection of any State or
9 local tax or enforcement of any civil or criminal penalty or
10 sanction imposed by this Act or by any statute or ordinance
11 imposing a State or local tax. Any person who divulges any such
12 information in any manner, except in accordance with a proper
13 judicial order, is guilty of a Class A misdemeanor.

14 Nothing contained in this Section shall prevent the
15 Director or chief county assessment officer from publishing or
16 making available reasonable statistics concerning the
17 operation of the exemption contained in this Section in which
18 the contents of claims are grouped into aggregates in such a
19 way that information contained in any individual claim shall
20 not be disclosed.

21 (d) Each Chief County Assessment Officer shall annually
22 publish a notice of availability of the exemption provided
23 under this Section. The notice shall be published at least 60
24 days but no more than 75 days prior to the date on which the
25 application must be submitted to the Chief County Assessment
26 Officer of the county in which the property is located. The

1 notice shall appear in a newspaper of general circulation in
2 the county.

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

6 (Source: P.A. 98-104, eff. 7-22-13; 99-143, eff. 7-27-15;
7 99-180, eff. 7-29-15; revised 10-21-15.)

8 (35 ILCS 200/15-175)

9 Sec. 15-175. General homestead exemption.

10 (a) Except as provided in Sections 15-176 and 15-177,
11 homestead property is entitled to an annual homestead exemption
12 limited, except as described here with relation to
13 cooperatives, to a reduction in the equalized assessed value of
14 homestead property equal to the increase in equalized assessed
15 value for the current assessment year above the equalized
16 assessed value of the property for 1977, up to the maximum
17 reduction set forth below. If however, the 1977 equalized
18 assessed value upon which taxes were paid is subsequently
19 determined by local assessing officials, the Property Tax
20 Appeal Board, or a court to have been excessive, the equalized
21 assessed value which should have been placed on the property
22 for 1977 shall be used to determine the amount of the
23 exemption.

24 (b) Except as provided in Section 15-176, the maximum
25 reduction before taxable year 2004 shall be \$4,500 in counties

1 with 3,000,000 or more inhabitants and \$3,500 in all other
2 counties. Except as provided in Sections 15-176 and 15-177, for
3 taxable years 2004 through 2007, the maximum reduction shall be
4 \$5,000, for taxable year 2008, the maximum reduction is \$5,500,
5 and, for taxable years 2009 through 2011, the maximum reduction
6 is \$6,000 in all counties. For taxable years 2012 and
7 thereafter, the maximum reduction is \$7,000 in counties with
8 3,000,000 or more inhabitants and \$6,000 in all other counties.
9 If a county has elected to subject itself to the provisions of
10 Section 15-176 as provided in subsection (k) of that Section,
11 then, for the first taxable year only after the provisions of
12 Section 15-176 no longer apply, for owners who, for the taxable
13 year, have not been granted an a senior citizens assessment
14 freeze homestead exemption for senior citizens and persons with
15 a disability under Section 15-172 or a long-time occupant
16 homestead exemption under Section 15-177, there shall be an
17 additional exemption of \$5,000 for owners with a household
18 income of \$30,000 or less.

19 (c) In counties with fewer than 3,000,000 inhabitants, if,
20 based on the most recent assessment, the equalized assessed
21 value of the homestead property for the current assessment year
22 is greater than the equalized assessed value of the property
23 for 1977, the owner of the property shall automatically receive
24 the exemption granted under this Section in an amount equal to
25 the increase over the 1977 assessment up to the maximum
26 reduction set forth in this Section.

1 (d) If in any assessment year beginning with the 2000
2 assessment year, homestead property has a pro-rata valuation
3 under Section 9-180 resulting in an increase in the assessed
4 valuation, a reduction in equalized assessed valuation equal to
5 the increase in equalized assessed value of the property for
6 the year of the pro-rata valuation above the equalized assessed
7 value of the property for 1977 shall be applied to the property
8 on a proportionate basis for the period the property qualified
9 as homestead property during the assessment year. The maximum
10 proportionate homestead exemption shall not exceed the maximum
11 homestead exemption allowed in the county under this Section
12 divided by 365 and multiplied by the number of days the
13 property qualified as homestead property.

14 (e) The chief county assessment officer may, when
15 considering whether to grant a leasehold exemption under this
16 Section, require the following conditions to be met:

17 (1) that a notarized application for the exemption,
18 signed by both the owner and the lessee of the property,
19 must be submitted each year during the application period
20 in effect for the county in which the property is located;

21 (2) that a copy of the lease must be filed with the
22 chief county assessment officer by the owner of the
23 property at the time the notarized application is
24 submitted;

25 (3) that the lease must expressly state that the lessee
26 is liable for the payment of property taxes; and

1 (4) that the lease must include the following language
2 in substantially the following form:

3 "Lessee shall be liable for the payment of real
4 estate taxes with respect to the residence in
5 accordance with the terms and conditions of Section
6 15-175 of the Property Tax Code (35 ILCS 200/15-175).
7 The permanent real estate index number for the premises
8 is (insert number), and, according to the most recent
9 property tax bill, the current amount of real estate
10 taxes associated with the premises is (insert amount)
11 per year. The parties agree that the monthly rent set
12 forth above shall be increased or decreased pro rata
13 (effective January 1 of each calendar year) to reflect
14 any increase or decrease in real estate taxes. Lessee
15 shall be deemed to be satisfying Lessee's liability for
16 the above mentioned real estate taxes with the monthly
17 rent payments as set forth above (or increased or
18 decreased as set forth herein).".

19 In addition, if there is a change in lessee, or if the
20 lessee vacates the property, then the chief county assessment
21 officer may require the owner of the property to notify the
22 chief county assessment officer of that change.

23 This subsection (e) does not apply to leasehold interests
24 in property owned by a municipality.

25 (f) "Homestead property" under this Section includes
26 residential property that is occupied by its owner or owners as

1 his or their principal dwelling place, or that is a leasehold
2 interest on which a single family residence is situated, which
3 is occupied as a residence by a person who has an ownership
4 interest therein, legal or equitable or as a lessee, and on
5 which the person is liable for the payment of property taxes.
6 For land improved with an apartment building owned and operated
7 as a cooperative or a building which is a life care facility as
8 defined in Section 15-170 and considered to be a cooperative
9 under Section 15-170, the maximum reduction from the equalized
10 assessed value shall be limited to the increase in the value
11 above the equalized assessed value of the property for 1977, up
12 to the maximum reduction set forth above, multiplied by the
13 number of apartments or units occupied by a person or persons
14 who is liable, by contract with the owner or owners of record,
15 for paying property taxes on the property and is an owner of
16 record of a legal or equitable interest in the cooperative
17 apartment building, other than a leasehold interest. For
18 purposes of this Section, the term "life care facility" has the
19 meaning stated in Section 15-170.

20 "Household", as used in this Section, means the owner, the
21 spouse of the owner, and all persons using the residence of the
22 owner as their principal place of residence.

23 "Household income", as used in this Section, means the
24 combined income of the members of a household for the calendar
25 year preceding the taxable year.

26 "Income", as used in this Section, has the same meaning as

1 provided in Section 3.07 of the Senior Citizens and Persons
2 with Disabilities Property Tax Relief Act, except that "income"
3 does not include veteran's benefits.

4 (g) In a cooperative where a homestead exemption has been
5 granted, the cooperative association or its management firm
6 shall credit the savings resulting from that exemption only to
7 the apportioned tax liability of the owner who qualified for
8 the exemption. Any person who willfully refuses to so credit
9 the savings shall be guilty of a Class B misdemeanor.

10 (h) Where married persons maintain and reside in separate
11 residences qualifying as homestead property, each residence
12 shall receive 50% of the total reduction in equalized assessed
13 valuation provided by this Section.

14 (i) In all counties, the assessor or chief county
15 assessment officer may determine the eligibility of
16 residential property to receive the homestead exemption and the
17 amount of the exemption by application, visual inspection,
18 questionnaire or other reasonable methods. The determination
19 shall be made in accordance with guidelines established by the
20 Department, provided that the taxpayer applying for an
21 additional general exemption under this Section shall submit to
22 the chief county assessment officer an application with an
23 affidavit of the applicant's total household income, age,
24 marital status (and, if married, the name and address of the
25 applicant's spouse, if known), and principal dwelling place of
26 members of the household on January 1 of the taxable year. The

1 Department shall issue guidelines establishing a method for
2 verifying the accuracy of the affidavits filed by applicants
3 under this paragraph. The applications shall be clearly marked
4 as applications for the Additional General Homestead
5 Exemption.

6 (i-5) This subsection (i-5) applies to counties with
7 3,000,000 or more inhabitants. In the event of a sale of
8 homestead property, the homestead exemption shall remain in
9 effect for the remainder of the assessment year of the sale.
10 Upon receipt of a transfer declaration transmitted by the
11 recorder pursuant to Section 31-30 of the Real Estate Transfer
12 Tax Law for property receiving an exemption under this Section,
13 the assessor shall mail a notice and forms to the new owner of
14 the property providing information pertaining to the rules and
15 applicable filing periods for applying or reapplying for
16 homestead exemptions under this Code for which the property may
17 be eligible. If the new owner fails to apply or reapply for a
18 homestead exemption during the applicable filing period or the
19 property no longer qualifies for an existing homestead
20 exemption, the assessor shall cancel such exemption for any
21 ensuing assessment year.

22 (j) In counties with fewer than 3,000,000 inhabitants, in
23 the event of a sale of homestead property the homestead
24 exemption shall remain in effect for the remainder of the
25 assessment year of the sale. The assessor or chief county
26 assessment officer may require the new owner of the property to

1 apply for the homestead exemption for the following assessment
2 year.

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

6 (Source: P.A. 98-7, eff. 4-23-13; 98-463, eff. 8-16-13; 99-143,
7 eff. 7-27-15; 99-164, eff. 7-28-15; revised 8-25-15.)

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