



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

HB1337

Introduced 1/28/2025, by Rep. Paul Jacobs

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-168

Amends the Property Tax Code. In provisions concerning the homestead exemption for persons with disabilities, provides that, if the person with a disability is eligible to receive disability benefits under the federal Social Security Act and has a household income that does not exceed 200% of the federal poverty level, then the property is exempt from taxation under the Code. Effective immediately.

LRB104 03319 HLH 13341 b

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 Property Tax Code is amended by changing  
5 Section 15-168 as follows:

6 (35 ILCS 200/15-168)

7 Sec. 15-168. Homestead exemption for persons with  
8 disabilities.

9 (a) Beginning with taxable year 2007, an annual homestead  
10 exemption is granted to persons with disabilities in the  
11 amount of \$2,000, except as provided in subsections ~~subsection~~  
12 (c) and (c-5), to be deducted from the property's value as  
13 equalized or assessed by the Department of Revenue. The person  
14 with a disability shall receive the homestead exemption upon  
15 meeting the following requirements:

16 (1) The property must be occupied as the primary  
17 residence by the person with a disability.

18 (2) The person with a disability must be liable for  
19 paying the real estate taxes on the property.

20 (3) The person with a disability must be an owner of  
21 record of the property or have a legal or equitable  
22 interest in the property as evidenced by a written  
23 instrument. In the case of a leasehold interest in

1 property, the lease must be for a single family residence.

2 A person who has a disability during the taxable year is  
3 eligible to apply for this homestead exemption during that  
4 taxable year. Application must be made during the application  
5 period in effect for the county of residence. If a homestead  
6 exemption has been granted under this Section and the person  
7 awarded the exemption subsequently becomes a resident of a  
8 facility licensed under the Nursing Home Care Act, the  
9 Specialized Mental Health Rehabilitation Act of 2013, the  
10 ID/DD Community Care Act, or the MC/DD Act, then the exemption  
11 shall continue (i) so long as the residence continues to be  
12 occupied by the qualifying person's spouse or (ii) if the  
13 residence remains unoccupied but is still owned by the person  
14 qualified for the homestead exemption.

15 ~~(b) For the purposes of this Section, "person with a~~  
16 ~~disability" means a person unable to engage in any substantial~~  
17 ~~gainful activity by reason of a medically determinable~~  
18 ~~physical or mental impairment which can be expected to result~~  
19 ~~in death or has lasted or can be expected to last for a~~  
20 ~~continuous period of not less than 12 months.~~ Persons with  
21 disabilities filing claims under this Act shall submit proof  
22 of disability in such form and manner as the Department shall  
23 by rule and regulation prescribe. Proof that a claimant is  
24 eligible to receive disability benefits under the Federal  
25 Social Security Act shall constitute proof of disability for  
26 purposes of this Act. Issuance of an Illinois Person with a

1 Disability Identification Card stating that the claimant is  
2 under a Class 2 disability, as defined in Section 4A of the  
3 Illinois Identification Card Act, shall constitute proof that  
4 the person named thereon is a person with a disability for  
5 purposes of this Act. A person with a disability not covered  
6 under the Federal Social Security Act and not presenting an  
7 Illinois Person with a Disability Identification Card stating  
8 that the claimant is under a Class 2 disability shall be  
9 examined by a physician, optometrist (if the person qualifies  
10 because of a visual disability), advanced practice registered  
11 nurse, or physician assistant designated by the Department,  
12 and his status as a person with a disability determined using  
13 the same standards as used by the Social Security  
14 Administration. The costs of any required examination shall be  
15 borne by the claimant.

16 (c) For land improved with (i) an apartment building owned  
17 and operated as a cooperative or (ii) a life care facility as  
18 defined under Section 2 of the Life Care Facilities Act that is  
19 considered to be a cooperative, the maximum reduction from the  
20 value of the property, as equalized or assessed by the  
21 Department, shall be multiplied by the number of apartments or  
22 units occupied by a person with a disability. The person with a  
23 disability shall receive the homestead exemption upon meeting  
24 the following requirements:

25 (1) The property must be occupied as the primary  
26 residence by the person with a disability.

1           (2) The person with a disability must be liable by  
2           contract with the owner or owners of record for paying the  
3           apportioned property taxes on the property of the  
4           cooperative or life care facility. In the case of a life  
5           care facility, the person with a disability must be liable  
6           for paying the apportioned property taxes under a life  
7           care contract as defined in Section 2 of the Life Care  
8           Facilities Act.

9           (3) The person with a disability must be an owner of  
10          record of a legal or equitable interest in the cooperative  
11          apartment building. A leasehold interest does not meet  
12          this requirement.

13       If a homestead exemption is granted under this subsection, the  
14       cooperative association or management firm shall credit the  
15       savings resulting from the exemption to the apportioned tax  
16       liability of the qualifying person with a disability. The  
17       chief county assessment officer may request reasonable proof  
18       that the association or firm has properly credited the  
19       exemption. A person who willfully refuses to credit an  
20       exemption to the qualified person with a disability is guilty  
21       of a Class B misdemeanor.

22       (c-5) Beginning with taxable year 2025, if the person with  
23       a disability is eligible to receive disability benefits under  
24       the federal Social Security Act and has a household income  
25       that does not exceed 200% of the federal poverty level, then  
26       the property is exempt from taxation under this Code. For the

1 purposes of this subsection, the federal poverty level shall  
2 be determined using the most recent poverty guidelines  
3 available as of the first day of the taxable year, as those  
4 guidelines are reported in the Federal Register by the United  
5 States Department of Health and Human Services under the  
6 authority of 42 U.S.C. 9902(2).

7 (d) The chief county assessment officer shall determine  
8 the eligibility of property to receive the homestead exemption  
9 according to guidelines established by the Department. After a  
10 person has received an exemption under this Section, an annual  
11 verification of eligibility for the exemption shall be mailed  
12 to the taxpayer.

13 In counties with fewer than 3,000,000 inhabitants, the  
14 chief county assessment officer shall provide to each person  
15 granted a homestead exemption under this Section a form to  
16 designate any other person to receive a duplicate of any  
17 notice of delinquency in the payment of taxes assessed and  
18 levied under this Code on the person's qualifying property.  
19 The duplicate notice shall be in addition to the notice  
20 required to be provided to the person receiving the exemption  
21 and shall be given in the manner required by this Code. The  
22 person filing the request for the duplicate notice shall pay  
23 an administrative fee of \$5 to the chief county assessment  
24 officer. The assessment officer shall then file the executed  
25 designation with the county collector, who shall issue the  
26 duplicate notices as indicated by the designation. A

1 designation may be rescinded by the person with a disability  
2 in the manner required by the chief county assessment officer.

3 (d-5) Notwithstanding any other provision of law, each  
4 chief county assessment officer may approve this exemption for  
5 the 2020 taxable year, without application, for any property  
6 that was approved for this exemption for the 2019 taxable  
7 year, provided that:

8 (1) the county board has declared a local disaster as  
9 provided in the Illinois Emergency Management Agency Act  
10 related to the COVID-19 public health emergency;

11 (2) the owner of record of the property as of January  
12 1, 2020 is the same as the owner of record of the property  
13 as of January 1, 2019;

14 (3) the exemption for the 2019 taxable year has not  
15 been determined to be an erroneous exemption as defined by  
16 this Code; and

17 (4) the applicant for the 2019 taxable year has not  
18 asked for the exemption to be removed for the 2019 or 2020  
19 taxable years.

20 (d-10) Notwithstanding any other provision of law, each  
21 chief county assessment officer may approve this exemption for  
22 the 2021 taxable year, without application, for any property  
23 that was approved for this exemption for the 2020 taxable  
24 year, if:

25 (1) the county board has declared a local disaster as  
26 provided in the Illinois Emergency Management Agency Act

1 related to the COVID-19 public health emergency;

2 (2) the owner of record of the property as of January  
3 1, 2021 is the same as the owner of record of the property  
4 as of January 1, 2020;

5 (3) the exemption for the 2020 taxable year has not  
6 been determined to be an erroneous exemption as defined by  
7 this Code; and

8 (4) the taxpayer for the 2020 taxable year has not  
9 asked for the exemption to be removed for the 2020 or 2021  
10 taxable years.

11 (d-15) For taxable years 2022 through 2027, in any county  
12 of more than 3,000,000 residents, and in any other county  
13 where the county board has authorized such action by ordinance  
14 or resolution, a chief county assessment officer may renew  
15 this exemption for any person who applied for the exemption  
16 and presented proof of eligibility, as described in subsection  
17 (b), without an annual application as required under  
18 subsection (d). A chief county assessment officer shall not  
19 automatically renew an exemption under this subsection if: the  
20 physician, advanced practice registered nurse, optometrist, or  
21 physician assistant who examined the claimant determined that  
22 the disability is not expected to continue for 12 months or  
23 more; the exemption has been deemed erroneous since the last  
24 application; or the claimant has reported their ineligibility  
25 to receive the exemption. A chief county assessment officer  
26 who automatically renews an exemption under this subsection

1 shall notify a person of a subsequent determination not to  
2 automatically renew that person's exemption and shall provide  
3 that person with an application to renew the exemption.

4 (d-20) As used in this Section:

5 "Household" means the applicant, the spouse of the  
6 applicant, and all persons using the residence of the  
7 applicant as their principal place of residence.

8 "Household income" means the combined income of the  
9 members of a household for the calendar year preceding the  
10 taxable year.

11 "Income" has the same meaning as provided in Section 3.07  
12 of the Senior Citizens and Persons with Disabilities Property  
13 Tax Relief Act.

14 "Person with a disability" means a person who is unable to  
15 engage in any substantial gainful activity by reason of a  
16 medically determinable physical or mental impairment which can  
17 be expected to result in death or has lasted or can be expected  
18 to last for a continuous period of not less than 12 months.

19 (e) A taxpayer who claims an exemption under Section  
20 15-165 or 15-169 may not claim an exemption under this  
21 Section.

22 (Source: P.A. 102-136, eff. 7-23-21; 102-895, eff. 5-23-22;  
23 103-154, eff. 6-30-23.)

24 Section 99. Effective date. This Act takes effect upon  
25 becoming law.