

## 104TH GENERAL ASSEMBLY

### State of Illinois

### 2025 and 2026

#### HB1497

Introduced 1/28/2025, by Rep. Brad Halbrook

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-185  
35 ILCS 200/18-187 new  
35 ILCS 200/18-205  
35 ILCS 200/18-242 new

Amends the Property Tax Extension Limitation Law in the Property Tax Code. Provides that, for levy years 2026 through 2030, the term "taxing district" includes each home rule taxing district. Provides that, for levy years 2026 through 2030, the extension limitation is 0% or the rate of increase approved by the voters. Contains provisions setting forth the aggregate extension for taxing districts that became subject to the Property Tax Extension Limitation Law as a result of the amendatory Act. Sets forth powers and duties of the Department of Revenue. Limits the power of home rule units to tax. Effective immediately.

LRB104 06528 HLH 16564 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 Sections 18-185 and 18-205 and by adding Sections 18-187 and  
6 18-242 as follows:

7 (35 ILCS 200/18-185)

8 Sec. 18-185. Short title; definitions. This Division 5  
9 may be cited as the Property Tax Extension Limitation Law. As  
10 used in this Division 5:

11 "Consumer Price Index" means the Consumer Price Index for  
12 All Urban Consumers for all items published by the United  
13 States Department of Labor.

14 "Extension limitation" means, for levy years other than  
15 levy years 2026 through 2030, (a) the lesser of 5% or the  
16 percentage increase in the Consumer Price Index during the  
17 12-month calendar year preceding the levy year or (b) the rate  
18 of increase approved by voters under Section 18-205. For levy  
19 years 2026 through 2030, the extension limitation is 0% or the  
20 rate of increase approved by the voters under Section 18-205.

21 "Affected county" means a county of 3,000,000 or more  
22 inhabitants or a county contiguous to a county of 3,000,000 or  
23 more inhabitants.

1 "Taxing district" has the same meaning provided in Section  
2 1-150, except as otherwise provided in this Section. For the  
3 1991 through 1994 levy years only, "taxing district" includes  
4 only each non-home rule taxing district having the majority of  
5 its 1990 equalized assessed value within any county or  
6 counties contiguous to a county with 3,000,000 or more  
7 inhabitants. Beginning with the 1995 levy year, "taxing  
8 district" includes only each non-home rule taxing district  
9 subject to this Law before the 1995 levy year and each non-home  
10 rule taxing district not subject to this Law before the 1995  
11 levy year having the majority of its 1994 equalized assessed  
12 value in an affected county or counties. Beginning with the  
13 levy year in which this Law becomes applicable to a taxing  
14 district as provided in Section 18-213, "taxing district" also  
15 includes those taxing districts made subject to this Law as  
16 provided in Section 18-213. For levy years 2026 through 2030,  
17 "taxing district" includes each home rule taxing district.

18 "Aggregate extension" for taxing districts to which this  
19 Law applied before the 1995 levy year means the annual  
20 corporate extension for the taxing district and those special  
21 purpose extensions that are made annually for the taxing  
22 district, excluding special purpose extensions: (a) made for  
23 the taxing district to pay interest or principal on general  
24 obligation bonds that were approved by referendum; (b) made  
25 for any taxing district to pay interest or principal on  
26 general obligation bonds issued before October 1, 1991; (c)

1 made for any taxing district to pay interest or principal on  
2 bonds issued to refund or continue to refund those bonds  
3 issued before October 1, 1991; (d) made for any taxing  
4 district to pay interest or principal on bonds issued to  
5 refund or continue to refund bonds issued after October 1,  
6 1991 that were approved by referendum; (e) made for any taxing  
7 district to pay interest or principal on revenue bonds issued  
8 before October 1, 1991 for payment of which a property tax levy  
9 or the full faith and credit of the unit of local government is  
10 pledged; however, a tax for the payment of interest or  
11 principal on those bonds shall be made only after the  
12 governing body of the unit of local government finds that all  
13 other sources for payment are insufficient to make those  
14 payments; (f) made for payments under a building commission  
15 lease when the lease payments are for the retirement of bonds  
16 issued by the commission before October 1, 1991, to pay for the  
17 building project; (g) made for payments due under installment  
18 contracts entered into before October 1, 1991; (h) made for  
19 payments of principal and interest on bonds issued under the  
20 Metropolitan Water Reclamation District Act to finance  
21 construction projects initiated before October 1, 1991; (i)  
22 made for payments of principal and interest on limited bonds,  
23 as defined in Section 3 of the Local Government Debt Reform  
24 Act, in an amount not to exceed the debt service extension base  
25 less the amount in items (b), (c), (e), and (h) of this  
26 definition for non-referendum obligations, except obligations

1 initially issued pursuant to referendum; (j) made for payments  
2 of principal and interest on bonds issued under Section 15 of  
3 the Local Government Debt Reform Act; (k) made by a school  
4 district that participates in the Special Education District  
5 of Lake County, created by special education joint agreement  
6 under Section 10-22.31 of the School Code, for payment of the  
7 school district's share of the amounts required to be  
8 contributed by the Special Education District of Lake County  
9 to the Illinois Municipal Retirement Fund under Article 7 of  
10 the Illinois Pension Code; the amount of any extension under  
11 this item (k) shall be certified by the school district to the  
12 county clerk; (l) made to fund expenses of providing joint  
13 recreational programs for persons with disabilities under  
14 Section 5-8 of the Park District Code or Section 11-95-14 of  
15 the Illinois Municipal Code; (m) made for temporary relocation  
16 loan repayment purposes pursuant to Sections 2-3.77 and  
17 17-2.2d of the School Code; (n) made for payment of principal  
18 and interest on any bonds issued under the authority of  
19 Section 17-2.2d of the School Code; (o) made for contributions  
20 to a firefighter's pension fund created under Article 4 of the  
21 Illinois Pension Code, to the extent of the amount certified  
22 under item (5) of Section 4-134 of the Illinois Pension Code;  
23 (p) made for road purposes in the first year after a township  
24 assumes the rights, powers, duties, assets, property,  
25 liabilities, obligations, and responsibilities of a road  
26 district abolished under the provisions of Section 6-133 of

1 the Illinois Highway Code; ~~and~~ (q) made under Section 4 of the  
2 Community Mental Health Act to provide the necessary funds or  
3 to supplement existing funds for community mental health  
4 facilities and services, including facilities and services for  
5 the person with a developmental disability or a substance use  
6 disorder; and (r) ~~(q)~~ made for the payment of principal and  
7 interest on any bonds issued under the authority of Section  
8 17-2.11 of the School Code or to refund or continue to refund  
9 those bonds.

10 "Aggregate extension" for the taxing districts to which  
11 this Law did not apply before the 1995 levy year (except taxing  
12 districts subject to this Law in accordance with Section  
13 18-213) means the annual corporate extension for the taxing  
14 district and those special purpose extensions that are made  
15 annually for the taxing district, excluding special purpose  
16 extensions: (a) made for the taxing district to pay interest  
17 or principal on general obligation bonds that were approved by  
18 referendum; (b) made for any taxing district to pay interest  
19 or principal on general obligation bonds issued before March  
20 1, 1995; (c) made for any taxing district to pay interest or  
21 principal on bonds issued to refund or continue to refund  
22 those bonds issued before March 1, 1995; (d) made for any  
23 taxing district to pay interest or principal on bonds issued  
24 to refund or continue to refund bonds issued after March 1,  
25 1995 that were approved by referendum; (e) made for any taxing  
26 district to pay interest or principal on revenue bonds issued

1 before March 1, 1995 for payment of which a property tax levy  
2 or the full faith and credit of the unit of local government is  
3 pledged; however, a tax for the payment of interest or  
4 principal on those bonds shall be made only after the  
5 governing body of the unit of local government finds that all  
6 other sources for payment are insufficient to make those  
7 payments; (f) made for payments under a building commission  
8 lease when the lease payments are for the retirement of bonds  
9 issued by the commission before March 1, 1995 to pay for the  
10 building project; (g) made for payments due under installment  
11 contracts entered into before March 1, 1995; (h) made for  
12 payments of principal and interest on bonds issued under the  
13 Metropolitan Water Reclamation District Act to finance  
14 construction projects initiated before October 1, 1991; (h-4)  
15 made for stormwater management purposes by the Metropolitan  
16 Water Reclamation District of Greater Chicago under Section 12  
17 of the Metropolitan Water Reclamation District Act; (h-8) made  
18 for payments of principal and interest on bonds issued under  
19 Section 9.6a of the Metropolitan Water Reclamation District  
20 Act to make contributions to the pension fund established  
21 under Article 13 of the Illinois Pension Code; (i) made for  
22 payments of principal and interest on limited bonds, as  
23 defined in Section 3 of the Local Government Debt Reform Act,  
24 in an amount not to exceed the debt service extension base less  
25 the amount in items (b), (c), and (e) of this definition for  
26 non-referendum obligations, except obligations initially

1 issued pursuant to referendum and bonds described in  
2 subsections (h) and (h-8) of this definition; (j) made for  
3 payments of principal and interest on bonds issued under  
4 Section 15 of the Local Government Debt Reform Act; (k) made  
5 for payments of principal and interest on bonds authorized by  
6 Public Act 88-503 and issued under Section 20a of the Chicago  
7 Park District Act for aquarium or museum projects and bonds  
8 issued under Section 20a of the Chicago Park District Act for  
9 the purpose of making contributions to the pension fund  
10 established under Article 12 of the Illinois Pension Code; (l)  
11 made for payments of principal and interest on bonds  
12 authorized by Public Act 87-1191 or 93-601 and (i) issued  
13 pursuant to Section 21.2 of the Cook County Forest Preserve  
14 District Act, (ii) issued under Section 42 of the Cook County  
15 Forest Preserve District Act for zoological park projects, or  
16 (iii) issued under Section 44.1 of the Cook County Forest  
17 Preserve District Act for botanical gardens projects; (m) made  
18 pursuant to Section 34-53.5 of the School Code, whether levied  
19 annually or not; (n) made to fund expenses of providing joint  
20 recreational programs for persons with disabilities under  
21 Section 5-8 of the Park District Code or Section 11-95-14 of  
22 the Illinois Municipal Code; (o) made by the Chicago Park  
23 District for recreational programs for persons with  
24 disabilities under subsection (c) of Section 7.06 of the  
25 Chicago Park District Act; (p) made for contributions to a  
26 firefighter's pension fund created under Article 4 of the



1 Illinois Pension Code, to the extent of the amount certified  
2 under item (5) of Section 4-134 of the Illinois Pension Code;  
3 (q) made by Ford Heights School District 169 under Section  
4 17-9.02 of the School Code; (r) made for the purpose of making  
5 employer contributions to the Public School Teachers' Pension  
6 and Retirement Fund of Chicago under Section 34-53 of the  
7 School Code; ~~and~~ (s) made under Section 4 of the Community  
8 Mental Health Act to provide the necessary funds or to  
9 supplement existing funds for community mental health  
10 facilities and services, including facilities and services for  
11 the person with a developmental disability or a substance use  
12 disorder; and (t) ~~(s)~~ made for the payment of principal and  
13 interest on any bonds issued under the authority of Section  
14 17-2.11 of the School Code or to refund or continue to refund  
15 those bonds.

16 "Aggregate extension" for all taxing districts to which  
17 this Law applies in accordance with Section 18-213, except for  
18 those taxing districts subject to paragraph (2) of subsection  
19 (e) of Section 18-213, means the annual corporate extension  
20 for the taxing district and those special purpose extensions  
21 that are made annually for the taxing district, excluding  
22 special purpose extensions: (a) made for the taxing district  
23 to pay interest or principal on general obligation bonds that  
24 were approved by referendum; (b) made for any taxing district  
25 to pay interest or principal on general obligation bonds  
26 issued before the date on which the referendum making this Law

1 applicable to the taxing district is held; (c) made for any  
2 taxing district to pay interest or principal on bonds issued  
3 to refund or continue to refund those bonds issued before the  
4 date on which the referendum making this Law applicable to the  
5 taxing district is held; (d) made for any taxing district to  
6 pay interest or principal on bonds issued to refund or  
7 continue to refund bonds issued after the date on which the  
8 referendum making this Law applicable to the taxing district  
9 is held if the bonds were approved by referendum after the date  
10 on which the referendum making this Law applicable to the  
11 taxing district is held; (e) made for any taxing district to  
12 pay interest or principal on revenue bonds issued before the  
13 date on which the referendum making this Law applicable to the  
14 taxing district is held for payment of which a property tax  
15 levy or the full faith and credit of the unit of local  
16 government is pledged; however, a tax for the payment of  
17 interest or principal on those bonds shall be made only after  
18 the governing body of the unit of local government finds that  
19 all other sources for payment are insufficient to make those  
20 payments; (f) made for payments under a building commission  
21 lease when the lease payments are for the retirement of bonds  
22 issued by the commission before the date on which the  
23 referendum making this Law applicable to the taxing district  
24 is held to pay for the building project; (g) made for payments  
25 due under installment contracts entered into before the date  
26 on which the referendum making this Law applicable to the

1     taxing district is held; (h) made for payments of principal  
2     and interest on limited bonds, as defined in Section 3 of the  
3     Local Government Debt Reform Act, in an amount not to exceed  
4     the debt service extension base less the amount in items (b),  
5     (c), and (e) of this definition for non-referendum  
6     obligations, except obligations initially issued pursuant to  
7     referendum; (i) made for payments of principal and interest on  
8     bonds issued under Section 15 of the Local Government Debt  
9     Reform Act; (j) made for a qualified airport authority to pay  
10    interest or principal on general obligation bonds issued for  
11    the purpose of paying obligations due under, or financing  
12    airport facilities required to be acquired, constructed,  
13    installed or equipped pursuant to, contracts entered into  
14    before March 1, 1996 (but not including any amendments to such  
15    a contract taking effect on or after that date); (k) made to  
16    fund expenses of providing joint recreational programs for  
17    persons with disabilities under Section 5-8 of the Park  
18    District Code or Section 11-95-14 of the Illinois Municipal  
19    Code; (l) made for contributions to a firefighter's pension  
20    fund created under Article 4 of the Illinois Pension Code, to  
21    the extent of the amount certified under item (5) of Section  
22    4-134 of the Illinois Pension Code; (m) made for the taxing  
23    district to pay interest or principal on general obligation  
24    bonds issued pursuant to Section 19-3.10 of the School Code;  
25    ~~and~~ (n) made under Section 4 of the Community Mental Health Act  
26    to provide the necessary funds or to supplement existing funds

1 for community mental health facilities and services, including  
2 facilities and services for the person with a developmental  
3 disability or a substance use disorder; and (o) ~~(n)~~ made for  
4 the payment of principal and interest on any bonds issued  
5 under the authority of Section 17-2.11 of the School Code or to  
6 refund or continue to refund those bonds.

7 "Aggregate extension" for all taxing districts to which  
8 this Law applies in accordance with paragraph (2) of  
9 subsection (e) of Section 18-213 means the annual corporate  
10 extension for the taxing district and those special purpose  
11 extensions that are made annually for the taxing district,  
12 excluding special purpose extensions: (a) made for the taxing  
13 district to pay interest or principal on general obligation  
14 bonds that were approved by referendum; (b) made for any  
15 taxing district to pay interest or principal on general  
16 obligation bonds issued before March 7, 1997 (the effective  
17 date of Public Act 89-718); (c) made for any taxing district to  
18 pay interest or principal on bonds issued to refund or  
19 continue to refund those bonds issued before March 7, 1997  
20 (the effective date of Public Act 89-718); (d) made for any  
21 taxing district to pay interest or principal on bonds issued  
22 to refund or continue to refund bonds issued after March 7,  
23 1997 (the effective date of Public Act 89-718) if the bonds  
24 were approved by referendum after March 7, 1997 (the effective  
25 date of Public Act 89-718); (e) made for any taxing district to  
26 pay interest or principal on revenue bonds issued before March

1 7, 1997 (the effective date of Public Act 89-718) for payment  
2 of which a property tax levy or the full faith and credit of  
3 the unit of local government is pledged; however, a tax for the  
4 payment of interest or principal on those bonds shall be made  
5 only after the governing body of the unit of local government  
6 finds that all other sources for payment are insufficient to  
7 make those payments; (f) made for payments under a building  
8 commission lease when the lease payments are for the  
9 retirement of bonds issued by the commission before March 7,  
10 1997 (the effective date of Public Act 89-718) to pay for the  
11 building project; (g) made for payments due under installment  
12 contracts entered into before March 7, 1997 (the effective  
13 date of Public Act 89-718); (h) made for payments of principal  
14 and interest on limited bonds, as defined in Section 3 of the  
15 Local Government Debt Reform Act, in an amount not to exceed  
16 the debt service extension base less the amount in items (b),  
17 (c), and (e) of this definition for non-referendum  
18 obligations, except obligations initially issued pursuant to  
19 referendum; (i) made for payments of principal and interest on  
20 bonds issued under Section 15 of the Local Government Debt  
21 Reform Act; (j) made for a qualified airport authority to pay  
22 interest or principal on general obligation bonds issued for  
23 the purpose of paying obligations due under, or financing  
24 airport facilities required to be acquired, constructed,  
25 installed or equipped pursuant to, contracts entered into  
26 before March 1, 1996 (but not including any amendments to such

1 a contract taking effect on or after that date); (k) made to  
2 fund expenses of providing joint recreational programs for  
3 persons with disabilities under Section 5-8 of the Park  
4 District Code or Section 11-95-14 of the Illinois Municipal  
5 Code; (l) made for contributions to a firefighter's pension  
6 fund created under Article 4 of the Illinois Pension Code, to  
7 the extent of the amount certified under item (5) of Section  
8 4-134 of the Illinois Pension Code; ~~and~~ (m) made under Section  
9 4 of the Community Mental Health Act to provide the necessary  
10 funds or to supplement existing funds for community mental  
11 health facilities and services, including facilities and  
12 services for the person with a developmental disability or a  
13 substance use disorder; and (n) ~~(m)~~ made for the payment of  
14 principal and interest on any bonds issued under the authority  
15 of Section 17-2.11 of the School Code or to refund or continue  
16 to refund those bonds.

17 "Aggregate extension" means, for taxing districts that  
18 became subject to this Law as a result of this amendatory Act  
19 of the 104th General Assembly, the annual corporate extension  
20 for the taxing district and those special purpose extensions  
21 that are made annually for the taxing district, excluding  
22 special purpose extensions made for debt service on  
23 obligations incurred before the effective date of this  
24 amendatory Act of the 104th General Assembly.

25 "Debt service extension base" means an amount equal to  
26 that portion of the extension for a taxing district for the

1 1994 levy year, or for those taxing districts subject to this  
2 Law in accordance with Section 18-213, except for those  
3 subject to paragraph (2) of subsection (e) of Section 18-213,  
4 for the levy year in which the referendum making this Law  
5 applicable to the taxing district is held, or for those taxing  
6 districts subject to this Law in accordance with paragraph (2)  
7 of subsection (e) of Section 18-213 for the 1996 levy year,  
8 constituting an extension for payment of principal and  
9 interest on bonds issued by the taxing district without  
10 referendum, but not including excluded non-referendum bonds.  
11 For park districts (i) that were first subject to this Law in  
12 1991 or 1995 and (ii) whose extension for the 1994 levy year  
13 for the payment of principal and interest on bonds issued by  
14 the park district without referendum (but not including  
15 excluded non-referendum bonds) was less than 51% of the amount  
16 for the 1991 levy year constituting an extension for payment  
17 of principal and interest on bonds issued by the park district  
18 without referendum (but not including excluded non-referendum  
19 bonds), "debt service extension base" means an amount equal to  
20 that portion of the extension for the 1991 levy year  
21 constituting an extension for payment of principal and  
22 interest on bonds issued by the park district without  
23 referendum (but not including excluded non-referendum bonds).  
24 A debt service extension base established or increased at any  
25 time pursuant to any provision of this Law, except Section  
26 18-212, shall be increased each year commencing with the later

1 of (i) the 2009 levy year or (ii) the first levy year in which  
2 this Law becomes applicable to the taxing district, by the  
3 lesser of 5% or the percentage increase in the Consumer Price  
4 Index during the 12-month calendar year preceding the levy  
5 year. The debt service extension base may be established or  
6 increased as provided under Section 18-212. "Excluded  
7 non-referendum bonds" means (i) bonds authorized by Public Act  
8 88-503 and issued under Section 20a of the Chicago Park  
9 District Act for aquarium and museum projects; (ii) bonds  
10 issued under Section 15 of the Local Government Debt Reform  
11 Act; or (iii) refunding obligations issued to refund or to  
12 continue to refund obligations initially issued pursuant to  
13 referendum.

14 "Special purpose extensions" include, but are not limited  
15 to, extensions for levies made on an annual basis for  
16 unemployment and workers' compensation, self-insurance,  
17 contributions to pension plans, and extensions made pursuant  
18 to Section 6-601 of the Illinois Highway Code for a road  
19 district's permanent road fund whether levied annually or not.  
20 The extension for a special service area is not included in the  
21 aggregate extension.

22 "Aggregate extension base" means the taxing district's  
23 last preceding aggregate extension as adjusted under Sections  
24 18-135, 18-215, 18-230, 18-206, and 18-233. Beginning with  
25 levy year 2022, for taxing districts that are specified in  
26 Section 18-190.7, the taxing district's aggregate extension



1 base shall be calculated as provided in Section 18-190.7. An  
2 adjustment under Section 18-135 shall be made for the 2007  
3 levy year and all subsequent levy years whenever one or more  
4 counties within which a taxing district is located (i) used  
5 estimated valuations or rates when extending taxes in the  
6 taxing district for the last preceding levy year that resulted  
7 in the over or under extension of taxes, or (ii) increased or  
8 decreased the tax extension for the last preceding levy year  
9 as required by Section 18-135(c). Whenever an adjustment is  
10 required under Section 18-135, the aggregate extension base of  
11 the taxing district shall be equal to the amount that the  
12 aggregate extension of the taxing district would have been for  
13 the last preceding levy year if either or both (i) actual,  
14 rather than estimated, valuations or rates had been used to  
15 calculate the extension of taxes for the last levy year, or  
16 (ii) the tax extension for the last preceding levy year had not  
17 been adjusted as required by subsection (c) of Section 18-135.

18 Notwithstanding any other provision of law, for levy year  
19 2012, the aggregate extension base for West Northfield School  
20 District No. 31 in Cook County shall be \$12,654,592.

21 Notwithstanding any other provision of law, for the  
22 purpose of calculating the limiting rate for levy year 2023,  
23 the last preceding aggregate extension base for Homewood  
24 School District No. 153 in Cook County shall be \$19,535,377.

25 Notwithstanding any other provision of law, for levy year  
26 2022, the aggregate extension base of a home equity assurance

1 program that levied at least \$1,000,000 in property taxes in  
2 levy year 2019 or 2020 under the Home Equity Assurance Act  
3 shall be the amount that the program's aggregate extension  
4 base for levy year 2021 would have been if the program had  
5 levied a property tax for levy year 2021.

6 "Levy year" has the same meaning as "year" under Section  
7 1-155.

8 "New property" means (i) the assessed value, after final  
9 board of review or board of appeals action, of new  
10 improvements or additions to existing improvements on any  
11 parcel of real property that increase the assessed value of  
12 that real property during the levy year multiplied by the  
13 equalization factor issued by the Department under Section  
14 17-30, (ii) the assessed value, after final board of review or  
15 board of appeals action, of real property not exempt from real  
16 estate taxation, which real property was exempt from real  
17 estate taxation for any portion of the immediately preceding  
18 levy year, multiplied by the equalization factor issued by the  
19 Department under Section 17-30, including the assessed value,  
20 upon final stabilization of occupancy after new construction  
21 is complete, of any real property located within the  
22 boundaries of an otherwise or previously exempt military  
23 reservation that is intended for residential use and owned by  
24 or leased to a private corporation or other entity, (iii) in  
25 counties that classify in accordance with Section 4 of Article  
26 IX of the Illinois Constitution, an incentive property's

1 additional assessed value resulting from a scheduled increase  
2 in the level of assessment as applied to the first year final  
3 board of review market value, and (iv) any increase in  
4 assessed value due to oil or gas production from an oil or gas  
5 well required to be permitted under the Hydraulic Fracturing  
6 Regulatory Act that was not produced in or accounted for  
7 during the previous levy year. In addition, the county clerk  
8 in a county containing a population of 3,000,000 or more shall  
9 include in the 1997 recovered tax increment value for any  
10 school district, any recovered tax increment value that was  
11 applicable to the 1995 tax year calculations.

12 "Qualified airport authority" means an airport authority  
13 organized under the Airport Authorities Act and located in a  
14 county bordering on the State of Wisconsin and having a  
15 population in excess of 200,000 and not greater than 500,000.

16 "Recovered tax increment value" means, except as otherwise  
17 provided in this paragraph, the amount of the current year's  
18 equalized assessed value, in the first year after a  
19 municipality terminates the designation of an area as a  
20 redevelopment project area previously established under the  
21 Tax Increment Allocation Redevelopment Act in the Illinois  
22 Municipal Code, previously established under the Industrial  
23 Jobs Recovery Law in the Illinois Municipal Code, previously  
24 established under the Economic Development Project Area Tax  
25 Increment Act of 1995, or previously established under the  
26 Economic Development Area Tax Increment Allocation Act, of

1 each taxable lot, block, tract, or parcel of real property in  
2 the redevelopment project area over and above the initial  
3 equalized assessed value of each property in the redevelopment  
4 project area. For the taxes which are extended for the 1997  
5 levy year, the recovered tax increment value for a non-home  
6 rule taxing district that first became subject to this Law for  
7 the 1995 levy year because a majority of its 1994 equalized  
8 assessed value was in an affected county or counties shall be  
9 increased if a municipality terminated the designation of an  
10 area in 1993 as a redevelopment project area previously  
11 established under the Tax Increment Allocation Redevelopment  
12 Act in the Illinois Municipal Code, previously established  
13 under the Industrial Jobs Recovery Law in the Illinois  
14 Municipal Code, or previously established under the Economic  
15 Development Area Tax Increment Allocation Act, by an amount  
16 equal to the 1994 equalized assessed value of each taxable  
17 lot, block, tract, or parcel of real property in the  
18 redevelopment project area over and above the initial  
19 equalized assessed value of each property in the redevelopment  
20 project area. In the first year after a municipality removes a  
21 taxable lot, block, tract, or parcel of real property from a  
22 redevelopment project area established under the Tax Increment  
23 Allocation Redevelopment Act in the Illinois Municipal Code,  
24 the Industrial Jobs Recovery Law in the Illinois Municipal  
25 Code, or the Economic Development Area Tax Increment  
26 Allocation Act, "recovered tax increment value" means the

1 amount of the current year's equalized assessed value of each  
2 taxable lot, block, tract, or parcel of real property removed  
3 from the redevelopment project area over and above the initial  
4 equalized assessed value of that real property before removal  
5 from the redevelopment project area.

6 Except as otherwise provided in this Section, "limiting  
7 rate" means a fraction the numerator of which is the last  
8 preceding aggregate extension base times an amount equal to  
9 one plus the extension limitation defined in this Section and  
10 the denominator of which is the current year's equalized  
11 assessed value of all real property in the territory under the  
12 jurisdiction of the taxing district during the prior levy  
13 year. For those taxing districts that reduced their aggregate  
14 extension for the last preceding levy year, except for school  
15 districts that reduced their extension for educational  
16 purposes pursuant to Section 18-206, the highest aggregate  
17 extension in any of the last 3 preceding levy years shall be  
18 used for the purpose of computing the limiting rate. The  
19 denominator shall not include new property or the recovered  
20 tax increment value. If a new rate, a rate decrease, or a  
21 limiting rate increase has been approved at an election held  
22 after March 21, 2006, then (i) the otherwise applicable  
23 limiting rate shall be increased by the amount of the new rate  
24 or shall be reduced by the amount of the rate decrease, as the  
25 case may be, or (ii) in the case of a limiting rate increase,  
26 the limiting rate shall be equal to the rate set forth in the

1 proposition approved by the voters for each of the years  
2 specified in the proposition, after which the limiting rate of  
3 the taxing district shall be calculated as otherwise provided.  
4 In the case of a taxing district that obtained referendum  
5 approval for an increased limiting rate on March 20, 2012, the  
6 limiting rate for tax year 2012 shall be the rate that  
7 generates the approximate total amount of taxes extendable for  
8 that tax year, as set forth in the proposition approved by the  
9 voters; this rate shall be the final rate applied by the county  
10 clerk for the aggregate of all capped funds of the district for  
11 tax year 2012.

12 (Source: P.A. 102-263, eff. 8-6-21; 102-311, eff. 8-6-21;  
13 102-519, eff. 8-20-21; 102-558, eff. 8-20-21; 102-707, eff.  
14 4-22-22; 102-813, eff. 5-13-22; 102-895, eff. 5-23-22;  
15 103-154, eff. 6-30-23; 103-587, eff. 5-28-24; 103-591, eff.  
16 7-1-24; 103-592, eff. 6-7-24; revised 7-9-24.)

17 (35 ILCS 200/18-187 new)

18 Sec. 18-187. Department of Revenue powers and duties.

19 (a) For levy years 2026 through 2030, the Department may,  
20 upon request of a taxing district, allow that taxing district  
21 to be exempt from the provisions of this Law for a period of  
22 not more than one levy year.

23 (b) For levy years 2026 through 2030, the Department may  
24 review and audit property tax levies to ensure compliance with  
25 this Law.

1       (c) This Section is repealed on January 1, 2032.

2       (35 ILCS 200/18-205)

3       Sec. 18-205. Referendum to increase the extension  
4       limitation.

5       (a) A taxing district is limited to an extension  
6       limitation as defined in Section 18-185 ~~of 5% or the~~  
7       ~~percentage increase in the Consumer Price Index during the~~  
8       ~~12 month calendar year preceding the levy year, whichever is~~  
9       ~~less.~~ A taxing district may increase its extension limitation  
10      for one or more levy years if that taxing district holds a  
11      referendum before the levy date for the first levy year at  
12      which a majority of voters voting on the issue approves  
13      adoption of a higher extension limitation. Referenda shall be  
14      conducted at a regularly scheduled election in accordance with  
15      the Election Code.

16      (b) The question shall be presented in substantially the  
17      following manner ~~for all elections held after March 21, 2006:~~

18              Shall the extension limitation under the Property Tax  
19              Extension Limitation Law for (insert the legal name,  
20              number, if any, and county or counties of the taxing  
21              district and geographic or other common name by which a  
22              school or community college district is known and referred  
23              to), Illinois, be increased from (applicable extension  
24              limitation set forth in Section 18-185) ~~the lesser of 5%~~  
25              ~~or the percentage increase in the Consumer Price Index~~

1 ~~over the prior levy year~~ to (insert the percentage of the  
2 proposed increase)% per year for (insert each levy year  
3 for which the increased extension limitation will apply)?

4 (c) The votes must be recorded as "Yes" or "No".

5 If a majority of voters voting on the issue approves the  
6 adoption of the increase, the increase shall be applicable for  
7 each levy year specified.

8 (d) The ballot for any question submitted pursuant to this  
9 Section shall have printed thereon, but not as a part of the  
10 question submitted, only the following supplemental  
11 information (which shall be supplied to the election authority  
12 by the taxing district) in substantially the following form:

13 (1) For the (insert the first levy year for which the  
14 increased extension limitation will be applicable) levy  
15 year the approximate amount of the additional tax  
16 extendable against property containing a single family  
17 residence and having a fair market value at the time of the  
18 referendum of \$100,000 is estimated to be \$....

19 (2) Based upon an average annual percentage increase  
20 (or decrease) in the market value of such property of ...%  
21 (insert percentage equal to the average annual percentage  
22 increase or decrease for the prior 3 levy years, at the  
23 time the submission of the question is initiated by the  
24 taxing district, in the amount of (A) the equalized  
25 assessed value of the taxable property in the taxing  
26 district less (B) the new property included in the



1 equalized assessed value), the approximate amount of the  
2 additional tax extendable against such property for the  
3 ... levy year is estimated to be \$... and for the ... levy  
4 year is estimated to be \$....

5 Paragraph (2) shall be included only if the increased  
6 extension limitation will be applicable for more than one year  
7 and shall list each levy year for which the increased  
8 extension limitation will be applicable. The additional tax  
9 shown for each levy year shall be the approximate dollar  
10 amount of the increase over the amount of the most recently  
11 completed extension at the time the submission of the question  
12 is initiated by the taxing district. The approximate amount of  
13 the additional tax extendable shown in paragraphs (1) and (2)  
14 shall be calculated by multiplying \$100,000 (the fair market  
15 value of the property without regard to any property tax  
16 exemptions) by (i) the percentage level of assessment  
17 prescribed for that property by statute, or by ordinance of  
18 the county board in counties that classify property for  
19 purposes of taxation in accordance with Section 4 of Article  
20 IX of the Illinois Constitution; (ii) the most recent final  
21 equalization factor certified to the county clerk by the  
22 Department of Revenue at the time the taxing district  
23 initiates the submission of the proposition to the electors;  
24 (iii) the last known aggregate extension base of the taxing  
25 district at the time the submission of the question is  
26 initiated by the taxing district; and (iv) the difference

1 between the percentage increase proposed in the question and  
2 the otherwise applicable extension limitation under Section  
3 18-185 ~~the lesser of 5% or the percentage increase in the~~  
4 ~~Consumer Price Index for the prior levy year (or an estimate of~~  
5 ~~the percentage increase for the prior levy year if the~~  
6 ~~increase is unavailable at the time the submission of the~~  
7 ~~question is initiated by the taxing district);~~ and dividing  
8 the result by the last known equalized assessed value of the  
9 taxing district at the time the submission of the question is  
10 initiated by the taxing district. This amendatory Act of the  
11 97th General Assembly is intended to clarify the existing  
12 requirements of this Section, and shall not be construed to  
13 validate any prior non-compliant referendum language. Any  
14 notice required to be published in connection with the  
15 submission of the question shall also contain this  
16 supplemental information and shall not contain any other  
17 supplemental information. Any error, miscalculation, or  
18 inaccuracy in computing any amount set forth on the ballot or  
19 in the notice that is not deliberate shall not invalidate or  
20 affect the validity of any proposition approved. Notice of the  
21 referendum shall be published and posted as otherwise required  
22 by law, and the submission of the question shall be initiated  
23 as provided by law.

24 (Source: P.A. 97-1087, eff. 8-24-12.)

1       Sec. 18-242. Home rule. This Division 5 is a limitation,  
2       under subsection (g) of Section 6 of Article VII of the  
3       Illinois Constitution, on the power of home rule units to tax.

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