



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB3105

Introduced 2/18/2025, by Rep. Fred Crespo

SYNOPSIS AS INTRODUCED:

35 ILCS 200/Art. 18 Div. 7 heading new
35 ILCS 200/18-280 new
35 ILCS 200/18-285 new
35 ILCS 200/18-290 new
35 ILCS 200/20-15

Amends the Property Tax Code. Creates the School District Extension Freeze Law. Provides that, if at the end of any levy year, a school district has reserves of 50% or more of its operating budget, then the school district's extension for all purposes may not exceed its extension for the previous levy year. Provides that, if the school district has reserves of 60% or more at the end of the immediately preceding levy year, then the district's extension shall be reduced by an amount equal to the difference between the district's reserve amount for the immediately preceding levy year and a reserve amount of 60% for that levy year. Effective July 1, 2025.

LRB104 11454 HLH 21542 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 adding
5 Division 7 to Article 18 and by changing Section 20-15 as
6 follows:

7 (35 ILCS 200/Art. 18 Div. 7 heading new)

8 Division 7. School District Extension Freeze Law

9 (35 ILCS 200/18-280 new)

10 Sec. 18-280. Short title. This Division 7 may be cited as
11 the School District Extension Freeze Law.

12 (35 ILCS 200/18-285 new)

13 Sec. 18-285. Limitation.

14 (a) If, at the end of any levy year, any school district
15 has reserves of 50% or more of its operating budget, as
16 determined by the State Board of Education, then, for the next
17 levy year, the county clerk shall extend a rate for that
18 district for all purposes that is no greater than the
19 educational limiting rate.

20 (b) Each school district shall transmit to the State Board
21 of Education any information required by the State Board of

1 Education, by rule, for the purposes of making the
2 determination required under this Section.

3 (c) In the case of a school district that is subject to
4 both the Property Tax Extension Limitation Law and this Law,
5 the provisions of the Property Tax Extension Limitation Law
6 shall be suspended for that district for any levy year in which
7 the district is subject to the educational limiting rate under
8 this Division.

9 (d) For a school district that has reserves of 50% or more
10 but not more than 60% of its operating budget at the end of the
11 immediately preceding levy year, as determined by the State
12 Board of Education, "educational limiting rate" means a
13 fraction the numerator of which is the district's last
14 preceding extension for all purposes and the denominator of
15 which is the current year's equalized assessed value of all
16 real property in the territory under the jurisdiction of the
17 district during the prior levy year. For a school district
18 that has reserves of 60% or more of its operating budget at the
19 end of the immediately preceding levy year, as determined by
20 the State Board of Education, "educational limiting rate"
21 means a fraction (i) the numerator of which is the district's
22 last preceding extension for all purposes minus the difference
23 between the district's reserve amount for the immediately
24 preceding levy year and a reserve amount of 60% for that levy
25 year and (ii) the denominator of which is the current year's
26 equalized assessed value of all real property in the territory

1 under the jurisdiction of the taxing district during the prior
2 levy year. In either case, the denominator shall not include
3 new property or the recovered tax increment value, as defined
4 in the Property Tax Extension Limitation Law.

5 (35 ILCS 200/18-290 new)

6 Sec. 18-290. Referendum to increase the educational
7 limiting rate. A school district may increase its educational
8 limiting rate for one or more levy years if the district holds
9 a referendum before the levy date for the first levy year at
10 which a majority of voters voting on the issue approves the
11 higher educational limiting rate. Referenda shall be conducted
12 at a regularly scheduled election in accordance with the
13 Election Code. The question shall be presented in
14 substantially the following manner:

15 Shall the educational limiting rate for (school
16 district) be increased from (applicable educational
17 limiting rate) to (insert proposed educational limiting
18 rate) for (insert each levy year for which the increased
19 extension limitation will apply)?

20 The votes must be recorded as "Yes" or "No".

21 If a majority of voters voting on the issue approves the
22 adoption of the increase, the increase shall be applicable for
23 each levy year specified.

24 (35 ILCS 200/20-15)

1 Sec. 20-15. Information on bill or separate statement.
2 There shall be printed on each bill, or on a separate slip
3 which shall be mailed with the bill:

4 (a) a statement itemizing the rate at which taxes have
5 been extended for each of the taxing districts in the
6 county in whose district the property is located, and in
7 those counties utilizing electronic data processing
8 equipment the dollar amount of tax due from the person
9 assessed allocable to each of those taxing districts,
10 including a separate statement of the dollar amount of tax
11 due which is allocable to a tax levied under the Illinois
12 Local Library Act or to any other tax levied by a
13 municipality or township for public library purposes,

14 (b) a separate statement for each of the taxing
15 districts of the dollar amount of tax due which is
16 allocable to a tax levied under the Illinois Pension Code
17 or to any other tax levied by a municipality or township
18 for public pension or retirement purposes,

19 (b-5) a list of each tax increment financing (TIF)
20 district in which the property is located and the dollar
21 amount of tax due that is allocable to the TIF district,

22 (c) the total tax rate,

23 (d) the total amount of tax due, ~~and~~

24 (e) the amount by which the total tax and the tax
25 allocable to each taxing district differs from the
26 taxpayer's last prior tax bill, and.

1 (f) if the property is located in a school district that
2 had its extension reduced by operation of the School District
3 Extension Freeze Law because it retained reserves of 60% or
4 more at the end of the immediately preceding levy year, then a
5 separate statement setting forth the amount by which the
6 extension for educational purposes was reduced.

7 The county treasurer shall ensure that only those taxing
8 districts in which a parcel of property is located shall be
9 listed on the bill for that property.

10 In all counties the statement shall also provide:

11 (1) the property index number or other suitable
12 description,

13 (2) the assessment of the property,

14 (3) the statutory amount of each homestead exemption
15 applied to the property,

16 (4) the assessed value of the property after
17 application of all homestead exemptions,

18 (5) the equalization factors imposed by the county and
19 by the Department, and

20 (6) the equalized assessment resulting from the
21 application of the equalization factors to the basic
22 assessment.

23 In all counties which do not classify property for
24 purposes of taxation, for property on which a single family
25 residence is situated the statement shall also include a
26 statement to reflect the fair cash value determined for the

1 property. In all counties which classify property for purposes
2 of taxation in accordance with Section 4 of Article IX of the
3 Illinois Constitution, for parcels of residential property in
4 the lowest assessment classification the statement shall also
5 include a statement to reflect the fair cash value determined
6 for the property.

7 In all counties, the statement must include information
8 that certain taxpayers may be eligible for tax exemptions,
9 abatements, and other assistance programs and that, for more
10 information, taxpayers should consult with the office of their
11 township or county assessor and with the Department of
12 Revenue. For bills mailed on or after January 1, 2026, the
13 statement must include, in bold face type, a list of
14 exemptions available to taxpayers and contact information for
15 the chief county assessment officer.

16 In counties which use the estimated or accelerated billing
17 methods, these statements shall only be provided with the
18 final installment of taxes due. The provisions of this Section
19 create a mandatory statutory duty. They are not merely
20 directory or discretionary. The failure or neglect of the
21 collector to mail the bill, or the failure of the taxpayer to
22 receive the bill, shall not affect the validity of any tax, or
23 the liability for the payment of any tax.

24 (Source: P.A. 103-592, eff. 1-1-25.)

25 Section 99. Effective date. This Act takes effect July 1,
26 2025.