



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB4168

Introduced 10/28/2025, by Rep. Kevin Schmidt

SYNOPSIS AS INTRODUCED:

65 ILCS 5/8-8-3.5

Amends the Illinois Municipal Code. In provisions concerning the reports a municipality is required to provide to the Comptroller under the Tax Increment Allocation Redevelopment Act, provides that, beginning on the effective date of the amendatory Act, if a municipality fails to file the Tax Increment Financing Report within the time required, then the Comptroller may order the municipality to cease all distributions from its Special Tax Allocation Fund for redevelopment project costs other than debt service on bonds until the municipality files the Tax Increment Financing Report. Requires the municipality to comply with the Comptroller's orders.

LRB104 15647 RTM 28817 b

1 AN ACT concerning local government.

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

4 Section 5. The Illinois Municipal Code is amended by
5 changing Section 8-8-3.5 as follows:

6 (65 ILCS 5/8-8-3.5)

7 Sec. 8-8-3.5. Tax Increment Financing Report. The reports
8 filed under subsection (d) of Section 11-74.4-5 of the Tax
9 Increment Allocation Redevelopment Act and the reports filed
10 under subsection (d) of Section 11-74.6-22 of the Industrial
11 Jobs Recovery Law in the Illinois Municipal Code must be
12 separate from any other annual report filed with the
13 Comptroller. The Comptroller must, in cooperation with
14 reporting municipalities, create a format for the reporting of
15 information described in paragraphs (1.5), (5), and (8) and in
16 subparagraph (G) of paragraph (7) of subsection (d) of Section
17 11-74.4-5 of the Tax Increment Allocation Redevelopment Act
18 and the information described in paragraphs (1.5), (5), and
19 (8) and in subparagraph (G) of paragraph (7) of subsection (d)
20 of Section 11-74.6-22 of the Industrial Jobs Recovery Law that
21 facilitates consistent reporting among the reporting
22 municipalities. The Comptroller may allow these reports to be
23 filed electronically and may display the report, or portions

1 of the report, electronically via the Internet. All reports
2 filed under this Section must be made available for
3 examination and copying by the public at all reasonable times.
4 A Tax Increment Financing Report must be filed electronically
5 with the Comptroller within 180 days after the close of the
6 municipal fiscal year or as soon thereafter as the audit for
7 the redevelopment project area for that fiscal year becomes
8 available. If the Tax Increment Finance administrator provides
9 the Comptroller's office with sufficient evidence that the
10 report is in the process of being completed by an auditor, the
11 Comptroller may grant an extension. If the required report is
12 not filed within the time extended by the Comptroller, the
13 Comptroller shall notify the corporate authorities of that
14 municipality that the audit report is past due. The
15 Comptroller may charge a municipality a fee of \$5 per day for
16 the first 15 days past due, \$10 per day for 16 through 30 days
17 past due, \$15 per day for 31 through 45 days past due, and \$20
18 per day for the 46th day and every day thereafter. These
19 amounts may be reduced at the Comptroller's discretion. In the
20 event the required audit report is not filed within 60 days of
21 such notice, the Comptroller shall cause such audit to be made
22 by an auditor or auditors. The Comptroller may decline to
23 order an audit and the preparation of an audit report if an
24 initial examination of the books and records of the
25 municipality indicates that books and records of the
26 municipality are inadequate or unavailable to support the

1 preparation of the audit report or the supplemental report due
2 to the passage of time or the occurrence of a natural disaster.
3 All fees collected pursuant to this Section shall be deposited
4 into the Comptroller's Administrative Fund. In the event the
5 Comptroller causes an audit to be made in accordance with the
6 requirements of this Section, the municipality shall pay to
7 the Comptroller reasonable compensation and expenses to
8 reimburse her for the cost of preparing or completing such
9 report. Moneys paid to the Comptroller pursuant to the
10 preceding sentence shall be deposited into the Comptroller's
11 Audit Expense Revolving Fund. Beginning on the effective date
12 of this amendatory Act of the 104th General Assembly, if a
13 municipality fails to file a Tax Increment Financing Report
14 within the time required by this Section, then the Comptroller
15 may order the municipality to cease all distributions from its
16 Special Tax Allocation Fund for redevelopment project costs
17 other than debt service on bonds until the municipality files
18 the Tax Increment Financing Report. A municipality shall
19 comply with all orders issued by the Comptroller under this
20 Section.

21 (Source: P.A. 101-419, eff. 1-1-20; 102-127, eff. 7-23-21.)