



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB4915

by Rep. Michelle Mussman

SYNOPSIS AS INTRODUCED:

320 ILCS 30/3

from Ch. 67 1/2, par. 453

Amends the Senior Citizens Real Estate Tax Deferral Act. Provides that the real estate taxes deferred under the Act and taxes paid by the Department of Revenue under the Act, together with all interest and costs that may accrue on those amounts, shall be a prior and first lien on the property until the deferred taxes, interest, and costs are paid. Provides that the tax deferral and recovery agreement with the collector shall expressly state that those amounts are a prior and first lien. Effective immediately.

LRB104 16363 HLH 30330 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 Senior Citizens Real Estate Tax Deferral
5 Act is amended by changing Section 3 as follows:

6 (320 ILCS 30/3) (from Ch. 67 1/2, par. 453)

7 Sec. 3. A taxpayer may, on or before March 1 of each year,
8 apply to the county collector of the county where his
9 qualifying property is located, or to the official designated
10 by a unit of local government to collect special assessments
11 on the qualifying property, as the case may be, for a deferral
12 of all or a part of real estate taxes payable during that year
13 for the preceding year in the case of real estate taxes other
14 than special assessments, or for a deferral of any
15 installments payable during that year in the case of special
16 assessments, on all or part of his qualifying property. The
17 application shall be on a form prescribed by the Department
18 and furnished by the collector, (a) showing that the applicant
19 will be 65 years of age or older by June 1 of the year for
20 which a tax deferral is claimed, (b) describing the property
21 and verifying that the property is qualifying property as
22 defined in Section 2, (c) certifying that the taxpayer has
23 owned and occupied as his residence such property or other

1 qualifying property in the State for at least the last 3 years
2 except for any periods during which the taxpayer may have
3 temporarily resided in a nursing or sheltered care home, and
4 (d) specifying whether the deferral is for all or a part of the
5 taxes, and, if for a part, the amount of deferral applied for.
6 As to qualifying property not having a separate assessed
7 valuation, the taxpayer shall also file with the county
8 collector a written appraisal of the property prepared by a
9 qualified real estate appraiser together with a certificate
10 signed by the appraiser stating that he has personally
11 examined the property and setting forth the value of the land
12 and the value of the buildings thereon occupied by the
13 taxpayer as his residence. The county collector may use
14 eligibility for the Low-Income Senior Citizens Assessment
15 Freeze Homestead Exemption under Section 15-172 of the
16 Property Tax Code as qualification for items (a) and (c).

17 The collector shall grant the tax deferral provided such
18 deferral does not exceed funds available in the Senior
19 Citizens Real Estate Deferred Tax Revolving Fund and provided
20 that the owner or owners of such real property have entered
21 into a tax deferral and recovery agreement with the collector
22 on behalf of the county or other unit of local government,
23 which agreement expressly states:

24 (1) That the total amount of taxes deferred under this
25 Act, plus interest, for the year for which a tax deferral is
26 claimed as well as for those previous years for which taxes are

1 not delinquent and for which such deferral has been claimed
2 may not exceed 80% of the taxpayer's equity interest in the
3 property for which taxes are to be deferred and that, if the
4 total deferred taxes plus interest equals 80% of the
5 taxpayer's equity interest in the property, the taxpayer shall
6 thereafter pay the annual interest due on such deferred taxes
7 plus interest so that total deferred taxes plus interest will
8 not exceed such 80% of the taxpayer's equity interest in the
9 property. Effective as of the January 1, 2011 assessment year
10 or tax year 2012 and through the 2021 tax year, the total
11 amount of any such deferral shall not exceed \$5,000 per
12 taxpayer in each tax year. For the 2022 tax year and every tax
13 year after, the total amount of any such deferral shall not
14 exceed \$7,500 per taxpayer in each tax year.

15 (2) That any real estate taxes deferred under this Act and
16 taxes paid by the Department of Revenue under this Act and any
17 interest accrued thereon are a lien on the real estate and
18 improvements thereon until paid and that the real estate taxes
19 deferred under this Act and taxes paid by the Department of
20 Revenue under this Act, together with all interest and costs
21 that may accrue on those amounts, shall be a prior and first
22 lien on the property, superior to all other liens and
23 encumbrances, until the deferred taxes and taxes paid by the
24 Department of Revenue, interest, and costs are paid in
25 accordance with this Act. If the taxes deferred are for a tax
26 year prior to 2023, then interest shall accrue at the rate of

1 6% per year. If the taxes deferred are for the 2023 tax year or
2 any tax year thereafter, then interest shall accrue at the
3 rate of 3% per year. No sale or transfer of such real property
4 may be legally closed and recorded until the taxes which would
5 otherwise have been due on the property, plus accrued
6 interest, have been paid unless the collector certifies in
7 writing that an arrangement for prompt payment of the amount
8 due has been made with his office. The same shall apply if the
9 property is to be made the subject of a contract of sale.

10 (3) That upon the death of the taxpayer claiming the
11 deferral the heirs-at-law, assignees or legatees shall have
12 first priority to the real property upon which taxes have been
13 deferred by paying in full the total taxes which would
14 otherwise have been due, plus interest. However, if such
15 heir-at-law, assignee, or legatee is a surviving spouse, the
16 tax deferred status of the property shall be continued during
17 the life of that surviving spouse if the spouse is 55 years of
18 age or older within 6 months of the date of death of the
19 taxpayer and enters into a tax deferral and recovery agreement
20 before the time when deferred taxes become due under this
21 Section. Any additional taxes deferred, plus interest, on the
22 real property under a tax deferral and recovery agreement
23 signed by a surviving spouse shall be added to the taxes and
24 interest which would otherwise have been due, and the payment
25 of which has been postponed during the life of such surviving
26 spouse, in determining the 80% equity requirement provided by

1 this Section.

2 (4) That if the taxes due, plus interest, are not paid by
3 the heir-at-law, assignee or legatee or if payment is not
4 postponed during the life of a surviving spouse, the deferred
5 taxes and interest shall be recovered from the estate of the
6 taxpayer within one year of the date of his death. In addition,
7 deferred real estate taxes and any interest accrued thereon
8 are due within 90 days after any tax deferred property ceases
9 to be qualifying property as defined in Section 2.

10 If payment is not made when required by this Section,
11 foreclosure proceedings may be instituted under the Property
12 Tax Code.

13 (5) That any joint owner has given written prior approval
14 for such agreement, which written approval shall be made a
15 part of such agreement.

16 (6) That a guardian for a person under legal disability
17 appointed for a taxpayer who otherwise qualifies under this
18 Act may act for the taxpayer in complying with this Act.

19 (7) That a taxpayer or his agent has provided to the
20 satisfaction of the collector, sufficient evidence that the
21 qualifying property on which the taxes are to be deferred is
22 insured against fire or casualty loss for at least the total
23 amount of taxes which have been deferred.

24 If the taxes to be deferred are special assessments, the
25 unit of local government making the assessments shall forward
26 a copy of the agreement entered into pursuant to this Section

1 and the bills for such assessments to the county collector of
2 the county in which the qualifying property is located.

3 Notwithstanding any provision of law to the contrary, the
4 real estate taxes deferred under this Act and taxes paid by the
5 Department of Revenue under this Act, together with all
6 interest and costs that may accrue on those amounts, shall be a
7 prior and first lien on the property, superior to all other
8 liens and encumbrances, until the deferred taxes and taxes
9 paid by the Department of Revenue, interest, and costs are
10 paid in accordance with this Act.

11 (Source: P.A. 104-452, eff. 12-12-25.)

12 Section 99. Effective date. This Act takes effect upon
13 becoming law.