



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB5543

Introduced 2/13/2026, by Rep. Brad Stephens

SYNOPSIS AS INTRODUCED:

35 ILCS 200/21-26 new

Amends the Property Tax Code. Provides that, notwithstanding any other law, if an interest penalty for the delinquent payment of taxes is imposed and if collections of interest penalties are enjoyed by a county pursuant to that procedure, then the county collector shall place all of the proceeds from interest penalty payments collected thereby into a separate and distinct fund created within the county treasury for the delineation and distribution of interest penalties paid on property taxes that are past due as of the time payment is made. Further provides all moneys in the interest penalty fund created by each county under this provision shall, within 30 days of receipt by the county, be divided and distributed to (i) the county of record and (ii) all other proper authorities or persons, on the basis of proportionate share of the overall tax extension within which individual taxpayer delinquency and payment of interest penalties took place. Provides that, when making this distribution to a proper authority or person, the county collector may include a notification that the moneys so distributed are the result of interest penalties charged by the county as part of the overall enforcement by the county of the Code.

LRB104 19568 HLH 33016 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 Section 21-26 as follows:

6 (35 ILCS 200/21-26 new)

7 Sec. 21-26. Distribution of interest penalty.

8 Notwithstanding any other law, if an interest penalty for the
9 delinquent payment of taxes is imposed under Section 32-25,
10 21-20, or 32-25 of this Code and if collections of interest
11 penalties are enjoyed by a county pursuant to this procedure,
12 the county collector shall place all of the proceeds from
13 interest penalty payments collected thereby into a separate
14 and distinct fund created within the county treasury for the
15 delineation and distribution of interest penalties paid on
16 property taxes that are past due as of the time payment is
17 made. All moneys in the interest penalty fund created by each
18 county under this Section shall, within 30 days of receipt by
19 the county, be divided and distributed to (i) the county of
20 record and (ii) all other proper authorities or persons, on
21 the basis of proportionate share of the overall tax extension
22 within which individual taxpayer delinquency and payment of
23 interest penalties took place. When making this distribution

1 to a proper authority or person, the county collector may
2 include a notification that the moneys so distributed are the
3 result of interest penalties charged by the county as part of
4 the overall enforcement by the county of this Code.