



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

HB5550

Introduced 2/13/2026, by Rep. Bradley Fritts

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-55  
35 ILCS 200/18-56  
35 ILCS 200/18-65  
35 ILCS 200/18-70  
35 ILCS 200/18-80  
35 ILCS 200/18-85  
35 ILCS 200/18-90

Amends the Truth in Taxation Law in the Property Tax Code. Provides that the notice and hearing requirements apply if the taxing district proposes to extend a tax rate against all taxable property in the district that exceeds the revenue neutral rate. Provides that the term "revenue neutral rate" means an aggregate tax rate for the taxing district that would generate the same amount of property tax revenue as was levied by the taxing district in the previous tax year using the current tax year's total assessed valuation of all property in the taxing district. Makes changes concerning notice provisions.

LRB104 19230 HLH 32676 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 18-55, 18-56, 18-65, 18-70, 18-80, 18-85, and 18-90  
6 as follows:

7 (35 ILCS 200/18-55)

8 Sec. 18-55. Short title and definitions. This Division 2  
9 may be cited as the Truth in Taxation Law. As used in this  
10 Division 2:

11 (a) "Taxing district" has the meaning specified in Section  
12 1-150 and includes home rule units, but from January 1, 2000  
13 through December 31, 2002 does not include taxing districts  
14 that have territory in Cook County.

15 (b) "Aggregate levy" means the annual corporate levy of  
16 the taxing district and those special purpose levies which are  
17 made annually (other than debt service levies and levies made  
18 for the purpose of paying amounts due under public building  
19 commission leases).

20 (c) "Special purpose levies" include, but are not limited  
21 to, levies made on an annual basis for contributions to  
22 pension plans, unemployment and worker's compensation, or  
23 self-insurance.

1 (d) "Debt service" means levies made by any taxing  
2 district pursuant to home rule authority, statute, referendum,  
3 ordinance, resolution, indenture, agreement, or contract to  
4 retire the principal or pay interest on bonds, notes,  
5 debentures or other financial instruments which evidence  
6 indebtedness.

7 (e) "Revenue neutral rate" means an aggregate tax rate for  
8 the taxing district for the current taxable year that, when  
9 extended against all of the taxable property in the district  
10 for the current tax year, would generate the same amount of  
11 property tax revenue as was levied by the taxing district in  
12 the previous tax year, using the current tax year's total  
13 assessed valuation of all property in the taxing district.

14 (Source: P.A. 91-357, eff. 7-29-99; 91-523, eff. 1-1-00.)

15 (35 ILCS 200/18-56)

16 Sec. 18-56. Legislative purpose. The purpose of this Law  
17 is to require taxing districts to disclose by publication and  
18 to hold a public hearings ~~hearing~~ on their intention to adopt  
19 an aggregate levy that would cause to be extended against the  
20 taxable property in the district an aggregate tax rate that  
21 exceeds the revenue neutral rate. ~~in amounts more than 105% of~~  
22 ~~the amount of property taxes extended or estimated to be~~  
23 ~~extended, including any amount abated by the taxing district~~  
24 ~~prior to such extension, upon the final aggregate levy of the~~  
25 ~~preceding year.~~

1 (Source: P.A. 88-660, eff. 9-16-94.)

2 (35 ILCS 200/18-65)

3 Sec. 18-65. Restriction on extension. Until it has  
4 complied with the notice and hearing provisions of this  
5 Article, no taxing district shall levy an amount of ad valorem  
6 tax that would cause to be extended against the taxable  
7 property in the district an aggregate tax rate that exceeds  
8 the revenue neutral rate. ~~which is more than 105% of the~~  
9 ~~amount, exclusive of election costs, which has been extended~~  
10 ~~or is estimated will be extended, plus any amount abated by the~~  
11 ~~taxing district before extension, upon the final aggregate~~  
12 ~~levy of the preceding year.~~

13 (Source: P.A. 86-957; 88-455.)

14 (35 ILCS 200/18-70)

15 Sec. 18-70. Notice ~~More than 5% increase;~~ notice and  
16 hearing required.

17 (a) If the estimate of the corporate authority made as  
18 provided in Section 18-60 shows that the aggregate levy  
19 proposed by the district would cause to be extended against  
20 the taxable property in the district an aggregate tax rate  
21 that exceeds the revenue neutral rate ~~is more than 105% of the~~  
22 ~~amount extended or estimated to be extended, plus any amount~~  
23 ~~abated by the corporate authority prior to extension, upon the~~  
24 ~~final aggregate levy of the preceding year, exclusive of~~

1 ~~election costs,~~ the corporate authority shall give public  
2 notice of and hold a public hearing on its intent to adopt an  
3 aggregate levy would cause to be extended against the taxable  
4 property in the district an aggregate tax rate that exceeds  
5 the revenue neutral rate. ~~in an amount which is more than 105%~~  
6 ~~of the amount extended or estimated to be extended upon the~~  
7 ~~final aggregate levy extensions, plus any amount abated,~~  
8 ~~exclusive of election costs, for the preceding year. The~~  
9 ~~hearing shall not coincide with the hearing on the proposed~~  
10 ~~budget of the taxing district.~~

11 (b) Beginning in levy year 2027, if a taxing district  
12 intends to extend a rate against the taxable property in the  
13 district that exceeds the revenue neutral rate, the governing  
14 body shall notify the county clerk of this intent. This  
15 notification must include the date, time, and location of the  
16 public hearing, as well as the proposed tax rate. After levy  
17 year 2027, the county clerk shall notify each taxpayer with  
18 property within the taxing subdivision by mail, directed to  
19 the taxpayer's last known address, if a taxing district  
20 proposes to exceed the revenue neutral rate. The notification  
21 shall be mailed at least 10 days prior to the public hearing.  
22 Alternatively, the county clerk may transmit the notice  
23 electronically, provided that both the taxpayer and the county  
24 clerk have given written consent to electronic communication  
25 and that the notice is sent at least 10 days before the public  
26 hearing. The county clerk is not required to send a notice to a

1 property owner of property that is exempt from ad valorem  
2 taxation. The county clerk shall compile the necessary  
3 information for all relevant taxing districts concerning the  
4 taxpayer's property into a single notice. This notice shall be  
5 formatted as prescribed by this Section. In no event shall  
6 this notice replace the notice required under Sec. 18-75.

7 (c) The notice shall be in the following form:

8 "Notice of Proposed Property Tax Increase for ...  
9 (commonly known name of taxing district).

10 This notice contains estimates of the tax on your property  
11 and proposed property tax increases. THE ACTUAL TAX ON YOUR  
12 PROPERTY MAY INCREASE OR DECREASE FROM THESE ESTIMATES.  
13 Governing bodies of taxing subdivisions must vote in order to  
14 exceed the Revenue Neutral Rate to increase the total property  
15 taxes collected. Governing bodies will vote at public hearings  
16 at the dates, times and locations listed. Taxpayers may attend  
17 and comment at the hearings. Property tax statements will be  
18 issued after rates are finalized and taxes are calculated.

19 Any person desiring to appear at the public hearing and  
20 present testimony to the taxing district may contact ...  
21 (name, title, address and telephone number of an appropriate  
22 official).

23 The total property taxes extended or abated for ...  
24 (preceding year) ... were ... (dollar amount).

25 The estimated total property taxes to be levied for ...  
26 (current year) ... are ... (dollar amount). This represents a

1 ... (percentage increase or decrease) ... over the previous  
2 year.

3 The public hearing shall take place (Date, time,  
4 location).".

5 (Source: P.A. 86-957; 88-455.)

6 (35 ILCS 200/18-80)

7 Sec. 18-80. Time and form of notice. The notice shall  
8 appear not more than 14 days nor less than 7 days prior to the  
9 date of the public hearing. The notice shall be no less than  
10 1/8 page in size, and the smallest type used shall be 12 point  
11 and shall be enclosed in a black border no less than 1/4 inch  
12 wide. The notice shall not be placed in that portion of the  
13 newspaper where legal notices and classified advertisements  
14 appear. The notice shall be published in substantially the  
15 following form:

16 ~~Notice of Proposed Property Tax Increase for ... (commonly~~  
17 ~~known name of taxing district).~~

18 ~~I. A public hearing to approve a proposed property tax~~  
19 ~~levy increase for ... (legal name of the taxing district)...~~  
20 ~~for ... (year) ... will be held on ... (date) ... at ... (time)~~  
21 ~~... at ... (location).~~

22 ~~Any person desiring to appear at the public hearing and~~  
23 ~~present testimony to the taxing district may contact ...~~  
24 ~~(name, title, address and telephone number of an appropriate~~  
25 ~~official).~~

1       ~~II. The corporate and special purpose property taxes~~  
2 ~~extended or abated for ... (preceding year) ... were ...~~  
3 ~~(dollar amount of the final aggregate levy as extended, plus~~  
4 ~~the amount abated by the taxing district prior to extension).~~

5       ~~The proposed corporate and special purpose property taxes~~  
6 ~~to be levied for ... (current year) ... are ... (dollar amount~~  
7 ~~of the proposed aggregate levy). This represents a ...~~  
8 ~~(percentage) ... increase over the previous year.~~

9       ~~III. The property taxes extended for debt service and~~  
10 ~~public building commission leases for ... (preceding year) ...~~  
11 ~~were ... (dollar amount).~~

12       ~~The estimated property taxes to be levied for debt service~~  
13 ~~and public building commission leases for ... (current year)~~  
14 ~~... are ... (dollar amount). This represents a ... (percentage~~  
15 ~~increase or decrease) ... over the previous year.~~

16       ~~IV. The total property taxes extended or abated for ...~~  
17 ~~(preceding year) ... were ... (dollar amount).~~

18       ~~The estimated total property taxes to be levied for ...~~  
19 ~~(current year) ... are ... (dollar amount). This represents a~~  
20 ~~... (percentage increase or decrease) ... over the previous~~  
21 ~~year.~~

22       ~~Any notice which includes any information not specified~~  
23 ~~and required by this Article shall be an invalid notice.~~

24       All hearings shall be open to the public. The corporate  
25 authority of the taxing district shall explain the reasons for  
26 the proposed increase and shall permit persons desiring to be

1 heard an opportunity to present testimony within reasonable  
2 time limits as it determines.

3 (Source: P.A. 92-382, eff. 8-16-01.)

4 (35 ILCS 200/18-85)

5 Sec. 18-85. Notice if adopted levy exceeds proposed levy.

6 If the final aggregate tax levy resolution or ordinance  
7 adopted would cause to be extended against the taxable  
8 property in the district an aggregate tax rate that exceeds  
9 the revenue neutral rate, is more than 105% of the amount,  
10 exclusive of election costs, which was extended or is  
11 estimated to be extended, plus any amount abated by the taxing  
12 district prior to extension, upon the final aggregate levy of  
13 the preceding year and is in excess of the amount of the  
14 proposed levy stated in the notice published under Section  
15 18-70, or is more than 105% of that amount and no notice was  
16 required under Section 18-70, the corporate authority shall  
17 give public notice of its action within 15 days of the adoption  
18 of the levy in the following form:

19 Notice of Adopted Property Tax Increase for ... (commonly  
20 known name of taxing district).

21 I. The corporate and special purpose property taxes  
22 extended or abated for ... (preceding year) ... were ...  
23 (dollar amount of the final aggregate levy as extended).

24 The adopted corporate and special purpose property taxes  
25 to be levied for ... (current year) ... are ... (dollar amount

1 of the proposed aggregate levy). This represents a ...  
2 (percentage) ... increase over the previous year.

3 II. The property taxes extended for debt service and  
4 public building commission leases for ... (preceding year) ...  
5 were ... (dollar amount).

6 The estimated property taxes to be levied for debt service  
7 and public building commission leases for ... (current year)  
8 ... are ... (dollar amount). This represents a ... (percentage  
9 increase or decrease) ... over the previous year.

10 III. The total property taxes extended or abated for ...  
11 (preceding year) ... were ... (dollar amount).

12 IV. The estimated total property taxes to be levied for  
13 ... (current year) ... are ... (dollar amount). This  
14 represents a ... (percentage increase or decrease) ... over  
15 the previous year.

16 A taxing district may, in its discretion and if  
17 applicable, include the following in the notice:

18 V. The taxing district has estimated its equalized  
19 assessed valuation to secure new growth revenue and must  
20 adhere to the Property Tax Extension Limitation Law (PTELL or  
21 "tax cap" law). PTELL limits the increase over the prior year  
22 in the property tax extension of this taxing district to the  
23 lesser of 5% or the percentage increase in the Consumer Price  
24 Index (CPI), which is (insert applicable CPI percentage  
25 increase).

26 (Source: P.A. 96-504, eff. 8-14-09.)

1 (35 ILCS 200/18-90)

2 Sec. 18-90. Limitation on extension of county clerk. The  
3 tax levy resolution or ordinance approved in the manner  
4 provided for in this Article shall be filed with the county  
5 clerk in the manner and at the time otherwise provided by law.  
6 No amount more than the revenue neutral rate ~~105% of the~~  
7 ~~amount, exclusive of election costs, which has been extended~~  
8 ~~or is estimated to be extended, plus any amount abated by the~~  
9 ~~taxing district prior to extension, upon the final aggregate~~  
10 ~~levy of the preceding year~~ shall be extended unless the tax  
11 levy ordinance or resolution is accompanied by a certification  
12 by the presiding officer of the corporate authority certifying  
13 compliance with or inapplicability of the provisions of  
14 Sections 18-60 through 18-85. An amount extended under Section  
15 18-107 in 1994 for a multi-township assessment district that  
16 did not file a certification of compliance with the Truth in  
17 Taxation Law may not exceed 105% of the amount, exclusive of  
18 election costs, that was extended in 1993, plus a proportional  
19 amount abated before extension, upon the levy or portion of a  
20 levy that is allocable to assessment purposes in each township  
21 that is a member of that multi-township assessment district.

22 (Source: P.A. 88-455; 88-660, eff. 9-16-94.)