



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB2126

Introduced 2/7/2025, by Sen. Doris Turner

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-41 new
35 ILCS 200/18-184.25 new

Amends the Property Tax Code. Provides that property that is owned by a faith-based organization or an organization described under Section 501(c)(3) of the Internal Revenue Code of 1986 that is leased for a minimum of 50 years for the purpose of, and is predominantly used for, providing affordable housing for households with a household income of between 20% and 90% of the area median income is exempt from taxation under the Code until (i) the end of the ground lease term or (ii) the first taxable year during which the property is no longer used for affordable housing purposes, whichever occurs first. Provides that taxing districts may abate all or a portion of the property taxes levied on a qualified affordable housing developments.

LRB104 06941 HLH 16978 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 Sections 15-41 and 18-184.25 as follows:

6 (35 ILCS 200/15-41 new)

7 Sec. 15-41. Faith-based organizations. Property that is
8 owned by a faith-based organization or an organization
9 described under Section 501(c)(3) of the Internal Revenue Code
10 of 1986 that is leased for a minimum of 50 years for the
11 purpose of, and is predominantly used for, providing
12 affordable housing for households with a household income of
13 between 20% and 90% of the area median income is exempt from
14 taxation under this Code until (i) the end of the ground lease
15 term or (ii) the first taxable year during which the property
16 is no longer used for affordable housing purposes, whichever
17 occurs first.

18 (35 ILCS 200/18-184.25 new)

19 Sec. 18-184.25. Affordable housing abatement. Any taxing
20 district, upon a majority vote of its governing authority,
21 may, after the determination of the assessed valuation of its
22 property, order the clerk of that county to abate all or a

1 portion of its taxes on affordable housing developments that
2 are subject to an affordable housing agreement with a unit of
3 local government. If the affordable housing development serves
4 households with a household income of between 70% and 90% of
5 the area median income, then the amount of the abatement may
6 not exceed 80% of the property taxes levied by the taxing
7 district. If the affordable housing development serves
8 households with a household income of between 20% and 69% of
9 the area median income, then the taxing district may abate all
10 of its taxes on the property.