

# SB2745



## 104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB2745

Introduced 1/13/2026, by Sen. Darby A. Hills

### SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-168

Amends the Property Tax Code. Provides that an applicant who receives the homestead exemption for persons with disabilities and who submits documentation by the examining provider that the applicant is totally and permanently disabled need not be reexamined to receive the exemption in a subsequent taxable year if (i) the applicant attaches the original documentation of total and permanent disability to his or her application in the subsequent taxable year, (ii) the exemption has not been deemed erroneous since the last application, and (iii) the claimant has not reported the claimant's ineligibility to receive the exemption.

LRB104 15632 HLH 28799 b

A BILL FOR

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 Section 15-168 as follows:

6 (35 ILCS 200/15-168)

7 Sec. 15-168. Homestead exemption for persons with  
8 disabilities.

9 (a) Beginning with taxable year 2007, an annual homestead  
10 exemption is granted to persons with disabilities in the  
11 amount of \$2,000, except as provided in subsection (c), to be  
12 deducted from the property's value as equalized or assessed by  
13 the Department of Revenue. The person with a disability shall  
14 receive the homestead exemption upon meeting the following  
15 requirements:

16 (1) The property must be occupied as the primary  
17 residence by the person with a disability.

18 (2) The person with a disability must be liable for  
19 paying the real estate taxes on the property.

20 (3) The person with a disability must be an owner of  
21 record of the property or have a legal or equitable  
22 interest in the property as evidenced by a written  
23 instrument. In the case of a leasehold interest in

1 property, the lease must be for a single family residence.

2 A person who has a disability during the taxable year is  
3 eligible to apply for this homestead exemption during that  
4 taxable year. Application must be made during the application  
5 period in effect for the county of residence. If a homestead  
6 exemption has been granted under this Section and the person  
7 awarded the exemption subsequently becomes a resident of a  
8 facility licensed under the Nursing Home Care Act, the  
9 Specialized Mental Health Rehabilitation Act of 2013, the  
10 ID/DD Community Care Act, or the MC/DD Act, then the exemption  
11 shall continue (i) so long as the residence continues to be  
12 occupied by the qualifying person's spouse or (ii) if the  
13 residence remains unoccupied but is still owned by the person  
14 qualified for the homestead exemption.

15 (b) For the purposes of this Section, "person with a  
16 disability" means a person unable to engage in any substantial  
17 gainful activity by reason of a medically determinable  
18 physical or mental impairment which can be expected to result  
19 in death or has lasted or can be expected to last for a  
20 continuous period of not less than 12 months. Persons with  
21 disabilities filing claims under this Act shall submit proof  
22 of disability in such form and manner as the Department shall  
23 by rule and regulation prescribe. Proof that a claimant is  
24 eligible to receive disability benefits under the Federal  
25 Social Security Act shall constitute proof of disability for  
26 purposes of this Act. Issuance of an Illinois Person with a

1 Disability Identification Card stating that the claimant is  
2 under a Class 2 disability, as defined in Section 4A of the  
3 Illinois Identification Card Act, shall constitute proof that  
4 the person named thereon is a person with a disability for  
5 purposes of this Act. A person with a disability not covered  
6 under the Federal Social Security Act and not presenting an  
7 Illinois Person with a Disability Identification Card stating  
8 that the claimant is under a Class 2 disability shall be  
9 examined by a physician, optometrist (if the person qualifies  
10 because of a visual disability), advanced practice registered  
11 nurse, or physician assistant designated by the Department,  
12 and his status as a person with a disability determined using  
13 the same standards as used by the Social Security  
14 Administration. The costs of any required examination shall be  
15 borne by the claimant. An applicant who receives an exemption  
16 under this Section and who submits documentation by the  
17 examining physician, optometrist (if the person qualifies  
18 because of a visual disability), advanced practice registered  
19 nurse, or physician assistant that the applicant is totally  
20 and permanently disabled need not be reexamined to receive the  
21 exemption under this Section in a subsequent taxable year if  
22 (i) the applicant attaches the original documentation of total  
23 and permanent disability to his or her application in the  
24 subsequent taxable year, (ii) the exemption has not been  
25 deemed erroneous since the last application, and (iii) the  
26 claimant has not reported the claimant's ineligibility to

1 receive the exemption.

2 (c) For land improved with (i) an apartment building owned  
3 and operated as a cooperative or (ii) a life care facility as  
4 defined under Section 2 of the Life Care Facilities Act that is  
5 considered to be a cooperative, the maximum reduction from the  
6 value of the property, as equalized or assessed by the  
7 Department, shall be multiplied by the number of apartments or  
8 units occupied by a person with a disability. The person with a  
9 disability shall receive the homestead exemption upon meeting  
10 the following requirements:

11 (1) The property must be occupied as the primary  
12 residence by the person with a disability.

13 (2) The person with a disability must be liable by  
14 contract with the owner or owners of record for paying the  
15 apportioned property taxes on the property of the  
16 cooperative or life care facility. In the case of a life  
17 care facility, the person with a disability must be liable  
18 for paying the apportioned property taxes under a life  
19 care contract as defined in Section 2 of the Life Care  
20 Facilities Act.

21 (3) The person with a disability must be an owner of  
22 record of a legal or equitable interest in the cooperative  
23 apartment building. A leasehold interest does not meet  
24 this requirement.

25 If a homestead exemption is granted under this subsection, the  
26 cooperative association or management firm shall credit the

1 savings resulting from the exemption to the apportioned tax  
2 liability of the qualifying person with a disability. The  
3 chief county assessment officer may request reasonable proof  
4 that the association or firm has properly credited the  
5 exemption. A person who willfully refuses to credit an  
6 exemption to the qualified person with a disability is guilty  
7 of a Class B misdemeanor.

8 (d) The chief county assessment officer shall determine  
9 the eligibility of property to receive the homestead exemption  
10 according to guidelines established by the Department. After a  
11 person has received an exemption under this Section, an annual  
12 verification of eligibility for the exemption shall be mailed  
13 to the taxpayer.

14 In counties with fewer than 3,000,000 inhabitants, the  
15 chief county assessment officer shall provide to each person  
16 granted a homestead exemption under this Section a form to  
17 designate any other person to receive a duplicate of any  
18 notice of delinquency in the payment of taxes assessed and  
19 levied under this Code on the person's qualifying property.  
20 The duplicate notice shall be in addition to the notice  
21 required to be provided to the person receiving the exemption  
22 and shall be given in the manner required by this Code. The  
23 person filing the request for the duplicate notice shall pay  
24 an administrative fee of \$5 to the chief county assessment  
25 officer. The assessment officer shall then file the executed  
26 designation with the county collector, who shall issue the

1 duplicate notices as indicated by the designation. A  
2 designation may be rescinded by the person with a disability  
3 in the manner required by the chief county assessment officer.

4 (d-5) Notwithstanding any other provision of law, each  
5 chief county assessment officer may approve this exemption for  
6 the 2020 taxable year, without application, for any property  
7 that was approved for this exemption for the 2019 taxable  
8 year, provided that:

9 (1) the county board has declared a local disaster as  
10 provided in the Illinois Emergency Management Agency Act  
11 related to the COVID-19 public health emergency;

12 (2) the owner of record of the property as of January  
13 1, 2020 is the same as the owner of record of the property  
14 as of January 1, 2019;

15 (3) the exemption for the 2019 taxable year has not  
16 been determined to be an erroneous exemption as defined by  
17 this Code; and

18 (4) the applicant for the 2019 taxable year has not  
19 asked for the exemption to be removed for the 2019 or 2020  
20 taxable years.

21 (d-10) Notwithstanding any other provision of law, each  
22 chief county assessment officer may approve this exemption for  
23 the 2021 taxable year, without application, for any property  
24 that was approved for this exemption for the 2020 taxable  
25 year, if:

26 (1) the county board has declared a local disaster as

1 provided in the Illinois Emergency Management Agency Act  
2 related to the COVID-19 public health emergency;

3 (2) the owner of record of the property as of January  
4 1, 2021 is the same as the owner of record of the property  
5 as of January 1, 2020;

6 (3) the exemption for the 2020 taxable year has not  
7 been determined to be an erroneous exemption as defined by  
8 this Code; and

9 (4) the taxpayer for the 2020 taxable year has not  
10 asked for the exemption to be removed for the 2020 or 2021  
11 taxable years.

12 (d-15) For taxable years 2022 through 2027, in any county  
13 of more than 3,000,000 residents, and in any other county  
14 where the county board has authorized such action by ordinance  
15 or resolution, a chief county assessment officer may renew  
16 this exemption for any person who applied for the exemption  
17 and presented proof of eligibility, as described in subsection  
18 (b), without an annual application as required under  
19 subsection (d). A chief county assessment officer shall not  
20 automatically renew an exemption under this subsection if: the  
21 physician, advanced practice registered nurse, optometrist, or  
22 physician assistant who examined the claimant determined that  
23 the disability is not expected to continue for 12 months or  
24 more; the exemption has been deemed erroneous since the last  
25 application; or the claimant has reported their ineligibility  
26 to receive the exemption. A chief county assessment officer

1 who automatically renews an exemption under this subsection  
2 shall notify a person of a subsequent determination not to  
3 automatically renew that person's exemption and shall provide  
4 that person with an application to renew the exemption.

5 (e) A taxpayer who claims an exemption under Section  
6 15-165 or 15-169 may not claim an exemption under this  
7 Section.

8 (Source: P.A. 102-136, eff. 7-23-21; 102-895, eff. 5-23-22;  
9 103-154, eff. 6-30-23.)