

# SB2854



## 104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB2854

Introduced 1/14/2026, by Sen. Emil Jones, III

### SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-185

Amends the Property Tax Extension Limitation Law in the Property Tax Code. Provides that special purpose levies made for the purpose of funding a Veterans Assistance Commission are not included in a taxing district's aggregate extension.

LRB104 17807 TRT 31240 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 18-185 as follows:

6 (35 ILCS 200/18-185)

7 Sec. 18-185. Short title; definitions. This Division 5  
8 may be cited as the Property Tax Extension Limitation Law. As  
9 used in this Division 5:

10 "Consumer Price Index" means the Consumer Price Index for  
11 All Urban Consumers for all items published by the United  
12 States Department of Labor.

13 "Extension limitation" means (a) the lesser of 5% or the  
14 percentage increase in the Consumer Price Index during the  
15 12-month calendar year preceding the levy year or (b) the rate  
16 of increase approved by voters under Section 18-205.

17 "Affected county" means a county of 3,000,000 or more  
18 inhabitants or a county contiguous to a county of 3,000,000 or  
19 more inhabitants.

20 "Taxing district" has the same meaning provided in Section  
21 1-150, except as otherwise provided in this Section. For the  
22 1991 through 1994 levy years only, "taxing district" includes  
23 only each non-home rule taxing district having the majority of

1 its 1990 equalized assessed value within any county or  
2 counties contiguous to a county with 3,000,000 or more  
3 inhabitants. Beginning with the 1995 levy year, "taxing  
4 district" includes only each non-home rule taxing district  
5 subject to this Law before the 1995 levy year and each non-home  
6 rule taxing district not subject to this Law before the 1995  
7 levy year having the majority of its 1994 equalized assessed  
8 value in an affected county or counties. Beginning with the  
9 levy year in which this Law becomes applicable to a taxing  
10 district as provided in Section 18-213, "taxing district" also  
11 includes those taxing districts made subject to this Law as  
12 provided in Section 18-213.

13 "Aggregate extension" for taxing districts to which this  
14 Law applied before the 1995 levy year means the annual  
15 corporate extension for the taxing district and those special  
16 purpose extensions that are made annually for the taxing  
17 district, excluding special purpose extensions: (a) made for  
18 the taxing district to pay interest or principal on general  
19 obligation bonds that were approved by referendum; (b) made  
20 for any taxing district to pay interest or principal on  
21 general obligation bonds issued before October 1, 1991; (c)  
22 made for any taxing district to pay interest or principal on  
23 bonds issued to refund or continue to refund those bonds  
24 issued before October 1, 1991; (d) made for any taxing  
25 district to pay interest or principal on bonds issued to  
26 refund or continue to refund bonds issued after October 1,

1 1991 that were approved by referendum; (e) made for any taxing  
2 district to pay interest or principal on revenue bonds issued  
3 before October 1, 1991 for payment of which a property tax levy  
4 or the full faith and credit of the unit of local government is  
5 pledged; however, a tax for the payment of interest or  
6 principal on those bonds shall be made only after the  
7 governing body of the unit of local government finds that all  
8 other sources for payment are insufficient to make those  
9 payments; (f) made for payments under a building commission  
10 lease when the lease payments are for the retirement of bonds  
11 issued by the commission before October 1, 1991, to pay for the  
12 building project; (g) made for payments due under installment  
13 contracts entered into before October 1, 1991; (h) made for  
14 payments of principal and interest on bonds issued under the  
15 Metropolitan Water Reclamation District Act to finance  
16 construction projects initiated before October 1, 1991; (i)  
17 made for payments of principal and interest on limited bonds,  
18 as defined in Section 3 of the Local Government Debt Reform  
19 Act, in an amount not to exceed the debt service extension base  
20 less the amount in items (b), (c), (e), and (h) of this  
21 definition for non-referendum obligations, except obligations  
22 initially issued pursuant to referendum; (j) made for payments  
23 of principal and interest on bonds issued under Section 15 of  
24 the Local Government Debt Reform Act; (k) made by a school  
25 district that participates in the Special Education District  
26 of Lake County, created by special education joint agreement

1 under Section 10-22.31 of the School Code, for payment of the  
2 school district's share of the amounts required to be  
3 contributed by the Special Education District of Lake County  
4 to the Illinois Municipal Retirement Fund under Article 7 of  
5 the Illinois Pension Code; the amount of any extension under  
6 this item (k) shall be certified by the school district to the  
7 county clerk; (l) made to fund expenses of providing joint  
8 recreational programs for persons with disabilities under  
9 Section 5-8 of the Park District Code or Section 11-95-14 of  
10 the Illinois Municipal Code; (m) made for temporary relocation  
11 loan repayment purposes pursuant to Sections 2-3.77 and  
12 17-2.2d of the School Code; (n) made for payment of principal  
13 and interest on any bonds issued under the authority of  
14 Section 17-2.2d of the School Code; (o) made for contributions  
15 to a firefighter's pension fund created under Article 4 of the  
16 Illinois Pension Code, to the extent of the amount certified  
17 under item (5) of Section 4-134 of the Illinois Pension Code;  
18 (p) made for road purposes in the first year after a township  
19 assumes the rights, powers, duties, assets, property,  
20 liabilities, obligations, and responsibilities of a road  
21 district abolished under the provisions of Section 6-133 of  
22 the Illinois Highway Code; (q) made under Section 4 of the  
23 Community Mental Health Act to provide the necessary funds or  
24 to supplement existing funds for community mental health  
25 facilities and services, including facilities and services for  
26 the person with a developmental disability or a substance use

1 disorder; ~~and~~ (r) made for the payment of principal and  
2 interest on any bonds issued under the authority of Section  
3 17-2.11 of the School Code or to refund or continue to refund  
4 those bonds; and (s) beginning with the 2027 levy year, made  
5 for the purpose of funding a Veterans Assistance Commission,  
6 as provided in Section 5-2006 of the Counties Code.

7 "Aggregate extension" for the taxing districts to which  
8 this Law did not apply before the 1995 levy year (except taxing  
9 districts subject to this Law in accordance with Section  
10 18-213) means the annual corporate extension for the taxing  
11 district and those special purpose extensions that are made  
12 annually for the taxing district, excluding special purpose  
13 extensions: (a) made for the taxing district to pay interest  
14 or principal on general obligation bonds that were approved by  
15 referendum; (b) made for any taxing district to pay interest  
16 or principal on general obligation bonds issued before March  
17 1, 1995; (c) made for any taxing district to pay interest or  
18 principal on bonds issued to refund or continue to refund  
19 those bonds issued before March 1, 1995; (d) made for any  
20 taxing district to pay interest or principal on bonds issued  
21 to refund or continue to refund bonds issued after March 1,  
22 1995 that were approved by referendum; (e) made for any taxing  
23 district to pay interest or principal on revenue bonds issued  
24 before March 1, 1995 for payment of which a property tax levy  
25 or the full faith and credit of the unit of local government is  
26 pledged; however, a tax for the payment of interest or

1 principal on those bonds shall be made only after the  
2 governing body of the unit of local government finds that all  
3 other sources for payment are insufficient to make those  
4 payments; (f) made for payments under a building commission  
5 lease when the lease payments are for the retirement of bonds  
6 issued by the commission before March 1, 1995 to pay for the  
7 building project; (g) made for payments due under installment  
8 contracts entered into before March 1, 1995; (h) made for  
9 payments of principal and interest on bonds issued under the  
10 Metropolitan Water Reclamation District Act to finance  
11 construction projects initiated before October 1, 1991; (h-4)  
12 made for stormwater management purposes by the Metropolitan  
13 Water Reclamation District of Greater Chicago under Section 12  
14 of the Metropolitan Water Reclamation District Act; (h-8) made  
15 for payments of principal and interest on bonds issued under  
16 Section 9.6a of the Metropolitan Water Reclamation District  
17 Act to make contributions to the pension fund established  
18 under Article 13 of the Illinois Pension Code; (i) made for  
19 payments of principal and interest on limited bonds, as  
20 defined in Section 3 of the Local Government Debt Reform Act,  
21 in an amount not to exceed the debt service extension base less  
22 the amount in items (b), (c), and (e) of this definition for  
23 non-referendum obligations, except obligations initially  
24 issued pursuant to referendum and bonds described in  
25 subsections (h) and (h-8) of this definition; (j) made for  
26 payments of principal and interest on bonds issued under

1 Section 15 of the Local Government Debt Reform Act; (k) made  
2 for payments of principal and interest on bonds authorized by  
3 Public Act 88-503 and issued under Section 20a of the Chicago  
4 Park District Act for aquarium or museum projects and bonds  
5 issued under Section 20a of the Chicago Park District Act for  
6 the purpose of making contributions to the pension fund  
7 established under Article 12 of the Illinois Pension Code; (l)  
8 made for payments of principal and interest on bonds  
9 authorized by Public Act 87-1191 or 93-601 and (i) issued  
10 pursuant to Section 21.2 of the Cook County Forest Preserve  
11 District Act, (ii) issued under Section 42 of the Cook County  
12 Forest Preserve District Act for zoological park projects, or  
13 (iii) issued under Section 44.1 of the Cook County Forest  
14 Preserve District Act for botanical gardens projects; (m) made  
15 pursuant to Section 34-53.5 of the School Code, whether levied  
16 annually or not; (n) made to fund expenses of providing joint  
17 recreational programs for persons with disabilities under  
18 Section 5-8 of the Park District Code or Section 11-95-14 of  
19 the Illinois Municipal Code; (o) made by the Chicago Park  
20 District for recreational programs for persons with  
21 disabilities under subsection (c) of Section 7.06 of the  
22 Chicago Park District Act; (p) made for contributions to a  
23 firefighter's pension fund created under Article 4 of the  
24 Illinois Pension Code, to the extent of the amount certified  
25 under item (5) of Section 4-134 of the Illinois Pension Code;  
26 (q) made by Ford Heights School District 169 under Section

1 17-9.02 of the School Code; (r) made for the purpose of making  
2 employer contributions to the Public School Teachers' Pension  
3 and Retirement Fund of Chicago under Section 34-53 of the  
4 School Code; (s) made under Section 4 of the Community Mental  
5 Health Act to provide the necessary funds or to supplement  
6 existing funds for community mental health facilities and  
7 services, including facilities and services for the person  
8 with a developmental disability or a substance use disorder;  
9 ~~and~~ (t) made for the payment of principal and interest on any  
10 bonds issued under the authority of Section 17-2.11 of the  
11 School Code or to refund or continue to refund those bonds; and  
12 (u) beginning with the 2027 levy year, made for the purpose of  
13 funding a Veterans Assistance Commission, as provided in  
14 Section 5-2006 of the Counties Code.

15 "Aggregate extension" for all taxing districts to which  
16 this Law applies in accordance with Section 18-213, except for  
17 those taxing districts subject to paragraph (2) of subsection  
18 (e) of Section 18-213, means the annual corporate extension  
19 for the taxing district and those special purpose extensions  
20 that are made annually for the taxing district, excluding  
21 special purpose extensions: (a) made for the taxing district  
22 to pay interest or principal on general obligation bonds that  
23 were approved by referendum; (b) made for any taxing district  
24 to pay interest or principal on general obligation bonds  
25 issued before the date on which the referendum making this Law  
26 applicable to the taxing district is held; (c) made for any

1 taxing district to pay interest or principal on bonds issued  
2 to refund or continue to refund those bonds issued before the  
3 date on which the referendum making this Law applicable to the  
4 taxing district is held; (d) made for any taxing district to  
5 pay interest or principal on bonds issued to refund or  
6 continue to refund bonds issued after the date on which the  
7 referendum making this Law applicable to the taxing district  
8 is held if the bonds were approved by referendum after the date  
9 on which the referendum making this Law applicable to the  
10 taxing district is held; (e) made for any taxing district to  
11 pay interest or principal on revenue bonds issued before the  
12 date on which the referendum making this Law applicable to the  
13 taxing district is held for payment of which a property tax  
14 levy or the full faith and credit of the unit of local  
15 government is pledged; however, a tax for the payment of  
16 interest or principal on those bonds shall be made only after  
17 the governing body of the unit of local government finds that  
18 all other sources for payment are insufficient to make those  
19 payments; (f) made for payments under a building commission  
20 lease when the lease payments are for the retirement of bonds  
21 issued by the commission before the date on which the  
22 referendum making this Law applicable to the taxing district  
23 is held to pay for the building project; (g) made for payments  
24 due under installment contracts entered into before the date  
25 on which the referendum making this Law applicable to the  
26 taxing district is held; (h) made for payments of principal

1 and interest on limited bonds, as defined in Section 3 of the  
2 Local Government Debt Reform Act, in an amount not to exceed  
3 the debt service extension base less the amount in items (b),  
4 (c), and (e) of this definition for non-referendum  
5 obligations, except obligations initially issued pursuant to  
6 referendum; (i) made for payments of principal and interest on  
7 bonds issued under Section 15 of the Local Government Debt  
8 Reform Act; (j) made for a qualified airport authority to pay  
9 interest or principal on general obligation bonds issued for  
10 the purpose of paying obligations due under, or financing  
11 airport facilities required to be acquired, constructed,  
12 installed or equipped pursuant to, contracts entered into  
13 before March 1, 1996 (but not including any amendments to such  
14 a contract taking effect on or after that date); (k) made to  
15 fund expenses of providing joint recreational programs for  
16 persons with disabilities under Section 5-8 of the Park  
17 District Code or Section 11-95-14 of the Illinois Municipal  
18 Code; (l) made for contributions to a firefighter's pension  
19 fund created under Article 4 of the Illinois Pension Code, to  
20 the extent of the amount certified under item (5) of Section  
21 4-134 of the Illinois Pension Code; (m) made for the taxing  
22 district to pay interest or principal on general obligation  
23 bonds issued pursuant to Section 19-3.10 of the School Code;  
24 (n) made under Section 4 of the Community Mental Health Act to  
25 provide the necessary funds or to supplement existing funds  
26 for community mental health facilities and services, including

1 facilities and services for the person with a developmental  
2 disability or a substance use disorder; ~~and~~ (o) made for the  
3 payment of principal and interest on any bonds issued under  
4 the authority of Section 17-2.11 of the School Code or to  
5 refund or continue to refund those bonds; and (p) beginning  
6 with the 2027 levy year, made for the purpose of funding a  
7 Veterans Assistance Commission, as provided in Section 5-2006  
8 of the Counties Code.

9 "Aggregate extension" for all taxing districts to which  
10 this Law applies in accordance with paragraph (2) of  
11 subsection (e) of Section 18-213 means the annual corporate  
12 extension for the taxing district and those special purpose  
13 extensions that are made annually for the taxing district,  
14 excluding special purpose extensions: (a) made for the taxing  
15 district to pay interest or principal on general obligation  
16 bonds that were approved by referendum; (b) made for any  
17 taxing district to pay interest or principal on general  
18 obligation bonds issued before March 7, 1997 (the effective  
19 date of Public Act 89-718); (c) made for any taxing district to  
20 pay interest or principal on bonds issued to refund or  
21 continue to refund those bonds issued before March 7, 1997  
22 (the effective date of Public Act 89-718); (d) made for any  
23 taxing district to pay interest or principal on bonds issued  
24 to refund or continue to refund bonds issued after March 7,  
25 1997 (the effective date of Public Act 89-718) if the bonds  
26 were approved by referendum after March 7, 1997 (the effective

1 date of Public Act 89-718); (e) made for any taxing district to  
2 pay interest or principal on revenue bonds issued before March  
3 7, 1997 (the effective date of Public Act 89-718) for payment  
4 of which a property tax levy or the full faith and credit of  
5 the unit of local government is pledged; however, a tax for the  
6 payment of interest or principal on those bonds shall be made  
7 only after the governing body of the unit of local government  
8 finds that all other sources for payment are insufficient to  
9 make those payments; (f) made for payments under a building  
10 commission lease when the lease payments are for the  
11 retirement of bonds issued by the commission before March 7,  
12 1997 (the effective date of Public Act 89-718) to pay for the  
13 building project; (g) made for payments due under installment  
14 contracts entered into before March 7, 1997 (the effective  
15 date of Public Act 89-718); (h) made for payments of principal  
16 and interest on limited bonds, as defined in Section 3 of the  
17 Local Government Debt Reform Act, in an amount not to exceed  
18 the debt service extension base less the amount in items (b),  
19 (c), and (e) of this definition for non-referendum  
20 obligations, except obligations initially issued pursuant to  
21 referendum; (i) made for payments of principal and interest on  
22 bonds issued under Section 15 of the Local Government Debt  
23 Reform Act; (j) made for a qualified airport authority to pay  
24 interest or principal on general obligation bonds issued for  
25 the purpose of paying obligations due under, or financing  
26 airport facilities required to be acquired, constructed,

1 installed or equipped pursuant to, contracts entered into  
2 before March 1, 1996 (but not including any amendments to such  
3 a contract taking effect on or after that date); (k) made to  
4 fund expenses of providing joint recreational programs for  
5 persons with disabilities under Section 5-8 of the Park  
6 District Code or Section 11-95-14 of the Illinois Municipal  
7 Code; (l) made for contributions to a firefighter's pension  
8 fund created under Article 4 of the Illinois Pension Code, to  
9 the extent of the amount certified under item (5) of Section  
10 4-134 of the Illinois Pension Code; (m) made under Section 4 of  
11 the Community Mental Health Act to provide the necessary funds  
12 or to supplement existing funds for community mental health  
13 facilities and services, including facilities and services for  
14 the person with a developmental disability or a substance use  
15 disorder; ~~and~~ (n) made for the payment of principal and  
16 interest on any bonds issued under the authority of Section  
17 17-2.11 of the School Code or to refund or continue to refund  
18 those bonds; and (o) beginning with the 2027 levy year, made  
19 for the purpose of funding a Veterans Assistance Commission,  
20 as provided in Section 5-2006 of the Counties Code.

21 "Debt service extension base" means an amount equal to  
22 that portion of the extension for a taxing district for the  
23 1994 levy year, or for those taxing districts subject to this  
24 Law in accordance with Section 18-213, except for those  
25 subject to paragraph (2) of subsection (e) of Section 18-213,  
26 for the levy year in which the referendum making this Law

1 applicable to the taxing district is held, or for those taxing  
2 districts subject to this Law in accordance with paragraph (2)  
3 of subsection (e) of Section 18-213 for the 1996 levy year,  
4 constituting an extension for payment of principal and  
5 interest on bonds issued by the taxing district without  
6 referendum, but not including excluded non-referendum bonds.  
7 For park districts (i) that were first subject to this Law in  
8 1991 or 1995 and (ii) whose extension for the 1994 levy year  
9 for the payment of principal and interest on bonds issued by  
10 the park district without referendum (but not including  
11 excluded non-referendum bonds) was less than 51% of the amount  
12 for the 1991 levy year constituting an extension for payment  
13 of principal and interest on bonds issued by the park district  
14 without referendum (but not including excluded non-referendum  
15 bonds), "debt service extension base" means an amount equal to  
16 that portion of the extension for the 1991 levy year  
17 constituting an extension for payment of principal and  
18 interest on bonds issued by the park district without  
19 referendum (but not including excluded non-referendum bonds).  
20 A debt service extension base established or increased at any  
21 time pursuant to any provision of this Law, except Section  
22 18-212, shall be increased each year commencing with the later  
23 of (i) the 2009 levy year or (ii) the first levy year in which  
24 this Law becomes applicable to the taxing district, by the  
25 lesser of 5% or the percentage increase in the Consumer Price  
26 Index during the 12-month calendar year preceding the levy

1 year. The debt service extension base may be established or  
2 increased as provided under Section 18-212. "Excluded  
3 non-referendum bonds" means (i) bonds authorized by Public Act  
4 88-503 and issued under Section 20a of the Chicago Park  
5 District Act for aquarium and museum projects; (ii) bonds  
6 issued under Section 15 of the Local Government Debt Reform  
7 Act; or (iii) refunding obligations issued to refund or to  
8 continue to refund obligations initially issued pursuant to  
9 referendum.

10 "Special purpose extensions" include, but are not limited  
11 to, extensions for levies made on an annual basis for  
12 unemployment and workers' compensation, self-insurance,  
13 contributions to pension plans, and extensions made pursuant  
14 to Section 6-601 of the Illinois Highway Code for a road  
15 district's permanent road fund whether levied annually or not.  
16 The extension for a special service area is not included in the  
17 aggregate extension.

18 "Aggregate extension base" means the taxing district's  
19 last preceding aggregate extension as adjusted under Sections  
20 18-135, 18-215, 18-230, 18-206, and 18-233. Beginning with  
21 levy year 2022, for taxing districts that are specified in  
22 Section 18-190.7, the taxing district's aggregate extension  
23 base shall be calculated as provided in Section 18-190.7. An  
24 adjustment under Section 18-135 shall be made for the 2007  
25 levy year and all subsequent levy years whenever one or more  
26 counties within which a taxing district is located (i) used

1 estimated valuations or rates when extending taxes in the  
2 taxing district for the last preceding levy year that resulted  
3 in the over or under extension of taxes, or (ii) increased or  
4 decreased the tax extension for the last preceding levy year  
5 as required by Section 18-135(c). Whenever an adjustment is  
6 required under Section 18-135, the aggregate extension base of  
7 the taxing district shall be equal to the amount that the  
8 aggregate extension of the taxing district would have been for  
9 the last preceding levy year if either or both (i) actual,  
10 rather than estimated, valuations or rates had been used to  
11 calculate the extension of taxes for the last levy year, or  
12 (ii) the tax extension for the last preceding levy year had not  
13 been adjusted as required by subsection (c) of Section 18-135.

14 Notwithstanding any other provision of law, for levy year  
15 2012, the aggregate extension base for West Northfield School  
16 District No. 31 in Cook County shall be \$12,654,592.

17 Notwithstanding any other provision of law, for the  
18 purpose of calculating the limiting rate for levy year 2023,  
19 the last preceding aggregate extension base for Homewood  
20 School District No. 153 in Cook County shall be \$19,535,377.

21 Notwithstanding any other provision of law, for levy year  
22 2022, the aggregate extension base of a home equity assurance  
23 program that levied at least \$1,000,000 in property taxes in  
24 levy year 2019 or 2020 under the Home Equity Assurance Act  
25 shall be the amount that the program's aggregate extension  
26 base for levy year 2021 would have been if the program had

1 levied a property tax for levy year 2021.

2 "Levy year" has the same meaning as "year" under Section  
3 1-155.

4 "New property" means (i) the assessed value, after final  
5 board of review or board of appeals action, of new  
6 improvements or additions to existing improvements on any  
7 parcel of real property that increase the assessed value of  
8 that real property during the levy year multiplied by the  
9 equalization factor issued by the Department under Section  
10 17-30, (ii) the assessed value, after final board of review or  
11 board of appeals action, of real property not exempt from real  
12 estate taxation, which real property was exempt from real  
13 estate taxation for any portion of the immediately preceding  
14 levy year, multiplied by the equalization factor issued by the  
15 Department under Section 17-30, including the assessed value,  
16 upon final stabilization of occupancy after new construction  
17 is complete, of any real property located within the  
18 boundaries of an otherwise or previously exempt military  
19 reservation that is intended for residential use and owned by  
20 or leased to a private corporation or other entity, (iii) in  
21 counties that classify in accordance with Section 4 of Article  
22 IX of the Illinois Constitution, an incentive property's  
23 additional assessed value resulting from a scheduled increase  
24 in the level of assessment as applied to the first year final  
25 board of review market value, and (iv) any increase in  
26 assessed value due to oil or gas production from an oil or gas

1 well required to be permitted under the Hydraulic Fracturing  
2 Regulatory Act that was not produced in or accounted for  
3 during the previous levy year. In addition, the county clerk  
4 in a county containing a population of 3,000,000 or more shall  
5 include in the 1997 recovered tax increment value for any  
6 school district, any recovered tax increment value that was  
7 applicable to the 1995 tax year calculations.

8 "Qualified airport authority" means an airport authority  
9 organized under the Airport Authorities Act and located in a  
10 county bordering on the State of Wisconsin and having a  
11 population in excess of 200,000 and not greater than 500,000.

12 "Recovered tax increment value" means, except as otherwise  
13 provided in this paragraph, the amount of the current year's  
14 equalized assessed value, in the first year after a  
15 municipality terminates the designation of an area as a  
16 redevelopment project area previously established under the  
17 Tax Increment Allocation Redevelopment Act in the Illinois  
18 Municipal Code, previously established under the Industrial  
19 Jobs Recovery Law in the Illinois Municipal Code, previously  
20 established under the Economic Development Project Area Tax  
21 Increment Act of 1995, or previously established under the  
22 Economic Development Area Tax Increment Allocation Act, of  
23 each taxable lot, block, tract, or parcel of real property in  
24 the redevelopment project area over and above the initial  
25 equalized assessed value of each property in the redevelopment  
26 project area. For the taxes which are extended for the 1997

1 levy year, the recovered tax increment value for a non-home  
2 rule taxing district that first became subject to this Law for  
3 the 1995 levy year because a majority of its 1994 equalized  
4 assessed value was in an affected county or counties shall be  
5 increased if a municipality terminated the designation of an  
6 area in 1993 as a redevelopment project area previously  
7 established under the Tax Increment Allocation Redevelopment  
8 Act in the Illinois Municipal Code, previously established  
9 under the Industrial Jobs Recovery Law in the Illinois  
10 Municipal Code, or previously established under the Economic  
11 Development Area Tax Increment Allocation Act, by an amount  
12 equal to the 1994 equalized assessed value of each taxable  
13 lot, block, tract, or parcel of real property in the  
14 redevelopment project area over and above the initial  
15 equalized assessed value of each property in the redevelopment  
16 project area. In the first year after a municipality removes a  
17 taxable lot, block, tract, or parcel of real property from a  
18 redevelopment project area established under the Tax Increment  
19 Allocation Redevelopment Act in the Illinois Municipal Code,  
20 the Industrial Jobs Recovery Law in the Illinois Municipal  
21 Code, or the Economic Development Area Tax Increment  
22 Allocation Act, "recovered tax increment value" means the  
23 amount of the current year's equalized assessed value of each  
24 taxable lot, block, tract, or parcel of real property removed  
25 from the redevelopment project area over and above the initial  
26 equalized assessed value of that real property before removal

1 from the redevelopment project area.

2 Except as otherwise provided in this Section, "limiting  
3 rate" means a fraction the numerator of which is the last  
4 preceding aggregate extension base times an amount equal to  
5 one plus the extension limitation defined in this Section and  
6 the denominator of which is the current year's equalized  
7 assessed value of all real property in the territory under the  
8 jurisdiction of the taxing district during the prior levy  
9 year. For those taxing districts that reduced their aggregate  
10 extension for the last preceding levy year, except for school  
11 districts that reduced their extension for educational  
12 purposes pursuant to Section 18-206, the highest aggregate  
13 extension in any of the last 3 preceding levy years shall be  
14 used for the purpose of computing the limiting rate. The  
15 denominator shall not include new property or the recovered  
16 tax increment value. If a new rate, a rate decrease, or a  
17 limiting rate increase has been approved at an election held  
18 after March 21, 2006, then (i) the otherwise applicable  
19 limiting rate shall be increased by the amount of the new rate  
20 or shall be reduced by the amount of the rate decrease, as the  
21 case may be, or (ii) in the case of a limiting rate increase,  
22 the limiting rate shall be equal to the rate set forth in the  
23 proposition approved by the voters for each of the years  
24 specified in the proposition, after which the limiting rate of  
25 the taxing district shall be calculated as otherwise provided.  
26 In the case of a taxing district that obtained referendum

1 approval for an increased limiting rate on March 20, 2012, the  
2 limiting rate for tax year 2012 shall be the rate that  
3 generates the approximate total amount of taxes extendable for  
4 that tax year, as set forth in the proposition approved by the  
5 voters; this rate shall be the final rate applied by the county  
6 clerk for the aggregate of all capped funds of the district for  
7 tax year 2012.

8 (Source: P.A. 103-154, eff. 6-30-23; 103-587, eff. 5-28-24;  
9 103-591, eff. 7-1-24; 103-592, eff. 6-7-24; 104-417, eff.  
10 8-15-25.)