



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

SB2862

Introduced 1/16/2026, by Sen. Robert F. Martwick

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-167 new  
35 ILCS 200/20-15

Amends the Property Tax Code. Provides that a municipality may, by ordinance, designate an area within its jurisdiction as a retail improvement abatement area if the area (i) is a contiguous area, (ii) consists of at least one-half square mile and not more than 12 square miles, exclusive of lakes and waterways, and (iii) has a vacancy rate for retail properties that exceeds 40% at the time the ordinance is adopted. Provides that owners of retail property that is in a retail improvement abatement area may enter into one or more agreements with any of the taxing districts in which the property is located to abate all or a portion of the taxes levied by the taxing district on the subject property. Provides that the agreement shall require the property owner to make a special payment to the taxing district in lieu of the property taxes that would otherwise be imposed on the property.

LRB104 16653 HLH 30057 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 18-167 and 20-15 as follows:

6 (35 ILCS 200/18-167 new)

7 Sec. 18-167. Retail improvement abatement area.

8 (a) On and after January 1, 2027, a municipality may, by  
9 ordinance, designate an area within its jurisdiction as a  
10 retail improvement abatement area if the area (i) is a  
11 contiguous area, (ii) consists of at least one-half square  
12 mile and not more than 12 square miles, exclusive of lakes and  
13 waterways, and (iii) has a vacancy rate for retail properties  
14 that exceeds 40% at the time the ordinance is adopted.

15 (b) After the designation of a retail improvement  
16 abatement area under this Section, the owner of property that  
17 is located in the retail improvement abatement area and that  
18 is used primarily for retail purposes may enter into one or  
19 more agreements with any of the taxing districts in which the  
20 property is located to abate all or a portion of the taxes  
21 levied by the taxing district on the subject property. An  
22 agreement entered into under this subsection (b) shall require  
23 the property owner to make a special payment to the taxing

1 district in lieu of the property taxes that would otherwise be  
2 imposed on the property. The special payment shall be  
3 calculated as a percentage of the retail sales that occur at  
4 the property during the taxable year. If the retail business  
5 is a tenant, then the owners of the retail business may enter  
6 into an agreement under this Section if the owners of the  
7 retail business enter into a triple net lease with the  
8 property owner pursuant to which the owners of the retail  
9 business are liable for the payment of property taxes under  
10 this Code.

11 (c) Special payments required under this Section shall be  
12 collected and are subject to the same enforcement procedures  
13 as provided in Article 21 of this Code with respect to the  
14 payment of property taxes under this Code.

15 (35 ILCS 200/20-15)

16 Sec. 20-15. Information on bill or separate statement.  
17 There shall be printed on each bill, or on a separate slip  
18 which shall be mailed with the bill:

19 (a) a statement itemizing the rate at which taxes have  
20 been extended for each of the taxing districts in the  
21 county in whose district the property is located, and in  
22 those counties utilizing electronic data processing  
23 equipment the dollar amount of tax due from the person  
24 assessed allocable to each of those taxing districts,  
25 including a separate statement of the dollar amount of tax

1 due which is allocable to a tax levied under the Illinois  
2 Local Library Act or to any other tax levied by a  
3 municipality or township for public library purposes,

4 (b) a separate statement for each of the taxing  
5 districts of the dollar amount of tax due which is  
6 allocable to a tax levied under the Illinois Pension Code  
7 or to any other tax levied by a municipality or township  
8 for public pension or retirement purposes,

9 (b-5) a list of each tax increment financing (TIF)  
10 district in which the property is located, the dollar  
11 amount of tax due that is allocable to the TIF district,  
12 and each redevelopment project that (i) is associated with  
13 the TIF district and (ii) has been completed during or  
14 before the taxable year for which the bill is prepared or  
15 is in the process of being completed during that taxable  
16 year,

17 (c) the total tax rate,

18 (d) the total amount of tax due, ~~and~~

19 (e) the amount by which the total tax and the tax  
20 allocable to each taxing district differs from the  
21 taxpayer's last prior tax bill, and -

22 (f) the amount of any special payment required under  
23 Section with respect to the property under Section 18-167.

24 The county treasurer shall ensure that only those taxing  
25 districts in which a parcel of property is located shall be  
26 listed on the bill for that property.

1 In all counties the statement shall also provide:

2 (1) the property index number or other suitable  
3 description,

4 (2) the assessment of the property,

5 (3) the statutory amount of each homestead exemption  
6 applied to the property,

7 (4) the assessed value of the property after  
8 application of all homestead exemptions,

9 (5) the equalization factors imposed by the county and  
10 by the Department, and

11 (6) the equalized assessment resulting from the  
12 application of the equalization factors to the basic  
13 assessment.

14 In all counties which do not classify property for  
15 purposes of taxation, for property on which a single family  
16 residence is situated the statement shall also include a  
17 statement to reflect the fair cash value determined for the  
18 property. In all counties which classify property for purposes  
19 of taxation in accordance with Section 4 of Article IX of the  
20 Illinois Constitution, for parcels of residential property in  
21 the lowest assessment classification the statement shall also  
22 include a statement to reflect the fair cash value determined  
23 for the property.

24 In all counties, the statement must include information  
25 that certain taxpayers may be eligible for tax exemptions,  
26 abatements, and other assistance programs and that, for more

1 information, taxpayers should consult with the office of their  
2 township or county assessor and with the Department of  
3 Revenue. For bills mailed on or after January 1, 2026, the  
4 statement must include, in bold face type, a list of  
5 exemptions available to taxpayers and contact information for  
6 the chief county assessment officer.

7 In counties which use the estimated or accelerated billing  
8 methods, these statements shall only be provided with the  
9 final installment of taxes due. The provisions of this Section  
10 create a mandatory statutory duty. They are not merely  
11 directory or discretionary. The failure or neglect of the  
12 collector to mail the bill, or the failure of the taxpayer to  
13 receive the bill, shall not affect the validity of any tax, or  
14 the liability for the payment of any tax.

15 (Source: P.A. 103-592, eff. 1-1-25; 104-6, eff. 6-16-25.)