

SB2871



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB2871

Introduced 1/16/2026, by Sen. Laura Ellman

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-168

Amends the Property Tax Code. Provides that provisions allowing a chief county assessment officer to renew the homestead exemption for persons with disabilities without an annual application apply permanently. Effective immediately.

LRB104 16969 HLH 30383 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.

16 (c) For land improved with (i) an apartment building owned
17 and operated as a cooperative or (ii) a life care facility as
18 defined under Section 2 of the Life Care Facilities Act that is
19 considered to be a cooperative, the maximum reduction from the
20 value of the property, as equalized or assessed by the
21 Department, shall be multiplied by the number of apartments or
22 units occupied by a person with a disability. The person with a
23 disability shall receive the homestead exemption upon meeting
24 the following requirements:

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

1 (2) The person with a disability must be liable by
2 contract with the owner or owners of record for paying the
3 apportioned property taxes on the property of the
4 cooperative or life care facility. In the case of a life
5 care facility, the person with a disability must be liable
6 for paying the apportioned property taxes under a life
7 care contract as defined in Section 2 of the Life Care
8 Facilities Act.

9 (3) The person with a disability must be an owner of
10 record of a legal or equitable interest in the cooperative
11 apartment building. A leasehold interest does not meet
12 this requirement.

13 If a homestead exemption is granted under this subsection, the
14 cooperative association or management firm shall credit the
15 savings resulting from the exemption to the apportioned tax
16 liability of the qualifying person with a disability. The
17 chief county assessment officer may request reasonable proof
18 that the association or firm has properly credited the
19 exemption. A person who willfully refuses to credit an
20 exemption to the qualified person with a disability is guilty
21 of a Class B misdemeanor.

22 (d) The chief county assessment officer shall determine
23 the eligibility of property to receive the homestead exemption
24 according to guidelines established by the Department. After a
25 person has received an exemption under this Section, an annual
26 verification of eligibility for the exemption shall be mailed

1 to the taxpayer.

2 In counties with fewer than 3,000,000 inhabitants, the
3 chief county assessment officer shall provide to each person
4 granted a homestead exemption under this Section a form to
5 designate any other person to receive a duplicate of any
6 notice of delinquency in the payment of taxes assessed and
7 levied under this Code on the person's qualifying property.
8 The duplicate notice shall be in addition to the notice
9 required to be provided to the person receiving the exemption
10 and shall be given in the manner required by this Code. The
11 person filing the request for the duplicate notice shall pay
12 an administrative fee of \$5 to the chief county assessment
13 officer. The assessment officer shall then file the executed
14 designation with the county collector, who shall issue the
15 duplicate notices as indicated by the designation. A
16 designation may be rescinded by the person with a disability
17 in the manner required by the chief county assessment officer.

18 (d-5) Notwithstanding any other provision of law, each
19 chief county assessment officer may approve this exemption for
20 the 2020 taxable year, without application, for any property
21 that was approved for this exemption for the 2019 taxable
22 year, provided that:

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

26 (2) the owner of record of the property as of January

1 1, 2020 is the same as the owner of record of the property
2 as of January 1, 2019;

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

6 (4) the applicant for the 2019 taxable year has not
7 asked for the exemption to be removed for the 2019 or 2020
8 taxable years.

9 (d-10) Notwithstanding any other provision of law, each
10 chief county assessment officer may approve this exemption for
11 the 2021 taxable year, without application, for any property
12 that was approved for this exemption for the 2020 taxable
13 year, if:

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

17 (2) the owner of record of the property as of January
18 1, 2021 is the same as the owner of record of the property
19 as of January 1, 2020;

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

23 (4) the taxpayer for the 2020 taxable year has not
24 asked for the exemption to be removed for the 2020 or 2021
25 taxable years.

26 (d-15) For taxable years 2022 and thereafter, ~~through~~

1 ~~2027,~~ in any county of more than 3,000,000 residents, and in
2 any other county where the county board has authorized such
3 action by ordinance or resolution, a chief county assessment
4 officer may renew this exemption for any person who applied
5 for the exemption and presented proof of eligibility, as
6 described in subsection (b), without an annual application as
7 required under subsection (d). A chief county assessment
8 officer shall not automatically renew an exemption under this
9 subsection if: the physician, advanced practice registered
10 nurse, optometrist, or physician assistant who examined the
11 claimant determined that the disability is not expected to
12 continue for 12 months or more; the exemption has been deemed
13 erroneous since the last application; or the claimant has
14 reported their ineligibility to receive the exemption. A chief
15 county assessment officer who automatically renews an
16 exemption under this subsection shall notify a person of a
17 subsequent determination not to automatically renew that
18 person's exemption and shall provide that person with an
19 application to renew the exemption.

20 (e) A taxpayer who claims an exemption under Section
21 15-165 or 15-169 may not claim an exemption under this
22 Section.

23 (Source: P.A. 102-136, eff. 7-23-21; 102-895, eff. 5-23-22;
24 103-154, eff. 6-30-23.)

25 Section 99. Effective date. This Act takes effect upon
26 becoming law.