

SB2898



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB2898

Introduced 1/27/2026, by Sen. Mary Edly-Allen

SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-185

Amends the Property Tax Extension Limitation Law in the Property Tax Code. Provides that, notwithstanding any other provision of law, beginning in levy year 2026, if a specified taxing district provided a property tax abatement under a specified provision of the Energy Community Reinvestment Act in any levy year occurring before the current levy year and if the taxing district was subject to the Property Tax Extension Limitation Law in the levy year of the abatement, then the district's aggregate extension base for each subsequent levy year after the levy year of the abatement but not earlier than levy year 2026 shall be calculated as through the district's aggregate extension for the levy year in which the abatement was granted included the amount of the abatement. Effective immediately.

LRB104 17588 HLH 31811 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.

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

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

1 Public Act 88-503 and issued under Section 20a of the Chicago
2 Park District Act for aquarium or museum projects and bonds
3 issued under Section 20a of the Chicago Park District Act for
4 the purpose of making contributions to the pension fund
5 established under Article 12 of the Illinois Pension Code; (l)
6 made for payments of principal and interest on bonds
7 authorized by Public Act 87-1191 or 93-601 and (i) issued
8 pursuant to Section 21.2 of the Cook County Forest Preserve
9 District Act, (ii) issued under Section 42 of the Cook County
10 Forest Preserve District Act for zoological park projects, or
11 (iii) issued under Section 44.1 of the Cook County Forest
12 Preserve District Act for botanical gardens projects; (m) made
13 pursuant to Section 34-53.5 of the School Code, whether levied
14 annually or not; (n) made to fund expenses of providing joint
15 recreational programs for persons with disabilities under
16 Section 5-8 of the Park District Code or Section 11-95-14 of
17 the Illinois Municipal Code; (o) made by the Chicago Park
18 District for recreational programs for persons with
19 disabilities under subsection (c) of Section 7.06 of the
20 Chicago Park District Act; (p) made for contributions to a
21 firefighter's pension fund created under Article 4 of the
22 Illinois Pension Code, to the extent of the amount certified
23 under item (5) of Section 4-134 of the Illinois Pension Code;
24 (q) made by Ford Heights School District 169 under Section
25 17-9.02 of the School Code; (r) made for the purpose of making
26 employer contributions to the Public School Teachers' Pension

1 and Retirement Fund of Chicago under Section 34-53 of the
2 School Code; (s) made under Section 4 of the Community Mental
3 Health Act to provide the necessary funds or to supplement
4 existing funds for community mental health facilities and
5 services, including facilities and services for the person
6 with a developmental disability or a substance use disorder;
7 and (t) made for the payment of principal and interest on any
8 bonds issued under the authority of Section 17-2.11 of the
9 School Code or to refund or continue to refund those bonds.

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

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

1 referendum; (i) made for payments of principal and interest on
2 bonds issued under Section 15 of the Local Government Debt
3 Reform Act; (j) made for a qualified airport authority to pay
4 interest or principal on general obligation bonds issued for
5 the purpose of paying obligations due under, or financing
6 airport facilities required to be acquired, constructed,
7 installed or equipped pursuant to, contracts entered into
8 before March 1, 1996 (but not including any amendments to such
9 a contract taking effect on or after that date); (k) made to
10 fund expenses of providing joint recreational programs for
11 persons with disabilities under Section 5-8 of the Park
12 District Code or Section 11-95-14 of the Illinois Municipal
13 Code; (l) made for contributions to a firefighter's pension
14 fund created under Article 4 of the Illinois Pension Code, to
15 the extent of the amount certified under item (5) of Section
16 4-134 of the Illinois Pension Code; (m) made for the taxing
17 district to pay interest or principal on general obligation
18 bonds issued pursuant to Section 19-3.10 of the School Code;
19 (n) made under Section 4 of the Community Mental Health Act to
20 provide the necessary funds or to supplement existing funds
21 for community mental health facilities and services, including
22 facilities and services for the person with a developmental
23 disability or a substance use disorder; and (o) made for the
24 payment of principal and interest on any bonds issued under
25 the authority of Section 17-2.11 of the School Code or to
26 refund or continue to refund those bonds.

1 "Aggregate extension" for all taxing districts to which
2 this Law applies in accordance with paragraph (2) of
3 subsection (e) of Section 18-213 means the annual corporate
4 extension for the taxing district and those special purpose
5 extensions that are made annually for the taxing district,
6 excluding special purpose extensions: (a) made for the taxing
7 district to pay interest or principal on general obligation
8 bonds that were approved by referendum; (b) made for any
9 taxing district to pay interest or principal on general
10 obligation bonds issued before March 7, 1997 (the effective
11 date of Public Act 89-718); (c) made for any taxing district to
12 pay interest or principal on bonds issued to refund or
13 continue to refund those bonds issued before March 7, 1997
14 (the effective date of Public Act 89-718); (d) made for any
15 taxing district to pay interest or principal on bonds issued
16 to refund or continue to refund bonds issued after March 7,
17 1997 (the effective date of Public Act 89-718) if the bonds
18 were approved by referendum after March 7, 1997 (the effective
19 date of Public Act 89-718); (e) made for any taxing district to
20 pay interest or principal on revenue bonds issued before March
21 7, 1997 (the effective date of Public Act 89-718) for payment
22 of which a property tax levy or the full faith and credit of
23 the unit of local government is pledged; however, a tax for the
24 payment of interest or principal on those bonds shall be made
25 only after the governing body of the unit of local government
26 finds that all other sources for payment are insufficient to

1 make those payments; (f) made for payments under a building
2 commission lease when the lease payments are for the
3 retirement of bonds issued by the commission before March 7,
4 1997 (the effective date of Public Act 89-718) to pay for the
5 building project; (g) made for payments due under installment
6 contracts entered into before March 7, 1997 (the effective
7 date of Public Act 89-718); (h) made for payments of principal
8 and interest on limited bonds, as defined in Section 3 of the
9 Local Government Debt Reform Act, in an amount not to exceed
10 the debt service extension base less the amount in items (b),
11 (c), and (e) of this definition for non-referendum
12 obligations, except obligations initially issued pursuant to
13 referendum; (i) made for payments of principal and interest on
14 bonds issued under Section 15 of the Local Government Debt
15 Reform Act; (j) made for a qualified airport authority to pay
16 interest or principal on general obligation bonds issued for
17 the purpose of paying obligations due under, or financing
18 airport facilities required to be acquired, constructed,
19 installed or equipped pursuant to, contracts entered into
20 before March 1, 1996 (but not including any amendments to such
21 a contract taking effect on or after that date); (k) made to
22 fund expenses of providing joint recreational programs for
23 persons with disabilities under Section 5-8 of the Park
24 District Code or Section 11-95-14 of the Illinois Municipal
25 Code; (l) made for contributions to a firefighter's pension
26 fund created under Article 4 of the Illinois Pension Code, to

1 the extent of the amount certified under item (5) of Section
2 4-134 of the Illinois Pension Code; (m) made under Section 4 of
3 the Community Mental Health Act to provide the necessary funds
4 or to supplement existing funds for community mental health
5 facilities and services, including facilities and services for
6 the person with a developmental disability or a substance use
7 disorder; and (n) made for the payment of principal and
8 interest on any bonds issued under the authority of Section
9 17-2.11 of the School Code or to refund or continue to refund
10 those bonds.

11 "Debt service extension base" means an amount equal to
12 that portion of the extension for a taxing district for the
13 1994 levy year, or for those taxing districts subject to this
14 Law in accordance with Section 18-213, except for those
15 subject to paragraph (2) of subsection (e) of Section 18-213,
16 for the levy year in which the referendum making this Law
17 applicable to the taxing district is held, or for those taxing
18 districts subject to this Law in accordance with paragraph (2)
19 of subsection (e) of Section 18-213 for the 1996 levy year,
20 constituting an extension for payment of principal and
21 interest on bonds issued by the taxing district without
22 referendum, but not including excluded non-referendum bonds.
23 For park districts (i) that were first subject to this Law in
24 1991 or 1995 and (ii) whose extension for the 1994 levy year
25 for the payment of principal and interest on bonds issued by
26 the park district without referendum (but not including

1 excluded non-referendum bonds) was less than 51% of the amount
2 for the 1991 levy year constituting an extension for payment
3 of principal and interest on bonds issued by the park district
4 without referendum (but not including excluded non-referendum
5 bonds), "debt service extension base" means an amount equal to
6 that portion of the extension for the 1991 levy year
7 constituting an extension for payment of principal and
8 interest on bonds issued by the park district without
9 referendum (but not including excluded non-referendum bonds).
10 A debt service extension base established or increased at any
11 time pursuant to any provision of this Law, except Section
12 18-212, shall be increased each year commencing with the later
13 of (i) the 2009 levy year or (ii) the first levy year in which
14 this Law becomes applicable to the taxing district, by the
15 lesser of 5% or the percentage increase in the Consumer Price
16 Index during the 12-month calendar year preceding the levy
17 year. The debt service extension base may be established or
18 increased as provided under Section 18-212. "Excluded
19 non-referendum bonds" means (i) bonds authorized by Public Act
20 88-503 and issued under Section 20a of the Chicago Park
21 District Act for aquarium and museum projects; (ii) bonds
22 issued under Section 15 of the Local Government Debt Reform
23 Act; or (iii) refunding obligations issued to refund or to
24 continue to refund obligations initially issued pursuant to
25 referendum.

26 "Special purpose extensions" include, but are not limited

1 to, extensions for levies made on an annual basis for
2 unemployment and workers' compensation, self-insurance,
3 contributions to pension plans, and extensions made pursuant
4 to Section 6-601 of the Illinois Highway Code for a road
5 district's permanent road fund whether levied annually or not.
6 The extension for a special service area is not included in the
7 aggregate extension.

8 "Aggregate extension base" means the taxing district's
9 last preceding aggregate extension as adjusted under Sections
10 18-135, 18-215, 18-230, 18-206, and 18-233. Beginning with
11 levy year 2022, for taxing districts that are specified in
12 Section 18-190.7, the taxing district's aggregate extension
13 base shall be calculated as provided in Section 18-190.7. An
14 adjustment under Section 18-135 shall be made for the 2007
15 levy year and all subsequent levy years whenever one or more
16 counties within which a taxing district is located (i) used
17 estimated valuations or rates when extending taxes in the
18 taxing district for the last preceding levy year that resulted
19 in the over or under extension of taxes, or (ii) increased or
20 decreased the tax extension for the last preceding levy year
21 as required by Section 18-135(c). Whenever an adjustment is
22 required under Section 18-135, the aggregate extension base of
23 the taxing district shall be equal to the amount that the
24 aggregate extension of the taxing district would have been for
25 the last preceding levy year if either or both (i) actual,
26 rather than estimated, valuations or rates had been used to

1 calculate the extension of taxes for the last levy year, or
2 (ii) the tax extension for the last preceding levy year had not
3 been adjusted as required by subsection (c) of Section 18-135.

4 Notwithstanding any other provision of law, beginning in
5 levy year 2026, if a qualified taxing district provided a
6 property tax abatement under subsection (j) of Section 10-20
7 of the Energy Community Reinvestment Act in any levy year
8 occurring before the current levy year and if the taxing
9 district was subject to this Law in the levy year of the
10 abatement, then the district's aggregate extension base for
11 each subsequent levy year after the levy year of the abatement
12 but not earlier than levy year 2026 shall be calculated as
13 through the district's aggregate extension for the levy year
14 in which the abatement was granted included the amount of the
15 abatement. For the purpose of this adjustment, "qualified
16 taxing district" means a taxing district that contains a
17 nuclear power plant that was decommissioned but that continued
18 to store nuclear waste before January 1, 2021.

19 Notwithstanding any other provision of law, for levy year
20 2012, the aggregate extension base for West Northfield School
21 District No. 31 in Cook County shall be \$12,654,592.

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

26 Notwithstanding any other provision of law, for levy year

1 2022, the aggregate extension base of a home equity assurance
2 program that levied at least \$1,000,000 in property taxes in
3 levy year 2019 or 2020 under the Home Equity Assurance Act
4 shall be the amount that the program's aggregate extension
5 base for levy year 2021 would have been if the program had
6 levied a property tax for levy year 2021.

7 "Levy year" has the same meaning as "year" under Section
8 1-155.

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

1 IX of the Illinois Constitution, an incentive property's
2 additional assessed value resulting from a scheduled increase
3 in the level of assessment as applied to the first year final
4 board of review market value, and (iv) any increase in
5 assessed value due to oil or gas production from an oil or gas
6 well required to be permitted under the Hydraulic Fracturing
7 Regulatory Act that was not produced in or accounted for
8 during the previous levy year. In addition, the county clerk
9 in a county containing a population of 3,000,000 or more shall
10 include in the 1997 recovered tax increment value for any
11 school district, any recovered tax increment value that was
12 applicable to the 1995 tax year calculations.

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

17 "Recovered tax increment value" means, except as otherwise
18 provided in this paragraph, the amount of the current year's
19 equalized assessed value, in the first year after a
20 municipality terminates the designation of an area as a
21 redevelopment project area previously established under the
22 Tax Increment Allocation Redevelopment Act in the Illinois
23 Municipal Code, previously established under the Industrial
24 Jobs Recovery Law in the Illinois Municipal Code, previously
25 established under the Economic Development Project Area Tax
26 Increment Act of 1995, or previously established under the

1 Economic Development Area Tax Increment Allocation Act, of
2 each taxable lot, block, tract, or parcel of real property in
3 the redevelopment project area over and above the initial
4 equalized assessed value of each property in the redevelopment
5 project area. For the taxes which are extended for the 1997
6 levy year, the recovered tax increment value for a non-home
7 rule taxing district that first became subject to this Law for
8 the 1995 levy year because a majority of its 1994 equalized
9 assessed value was in an affected county or counties shall be
10 increased if a municipality terminated the designation of an
11 area in 1993 as a redevelopment project area previously
12 established under the Tax Increment Allocation Redevelopment
13 Act in the Illinois Municipal Code, previously established
14 under the Industrial Jobs Recovery Law in the Illinois
15 Municipal Code, or previously established under the Economic
16 Development Area Tax Increment Allocation Act, by an amount
17 equal to the 1994 equalized assessed value of each taxable
18 lot, block, tract, or parcel of real property in the
19 redevelopment project area over and above the initial
20 equalized assessed value of each property in the redevelopment
21 project area. In the first year after a municipality removes a
22 taxable lot, block, tract, or parcel of real property from a
23 redevelopment project area established under the Tax Increment
24 Allocation Redevelopment Act in the Illinois Municipal Code,
25 the Industrial Jobs Recovery Law in the Illinois Municipal
26 Code, or the Economic Development Area Tax Increment

1 Allocation Act, "recovered tax increment value" means the
2 amount of the current year's equalized assessed value of each
3 taxable lot, block, tract, or parcel of real property removed
4 from the redevelopment project area over and above the initial
5 equalized assessed value of that real property before removal
6 from the redevelopment project area.

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

1 the limiting rate shall be equal to the rate set forth in the
2 proposition approved by the voters for each of the years
3 specified in the proposition, after which the limiting rate of
4 the taxing district shall be calculated as otherwise provided.
5 In the case of a taxing district that obtained referendum
6 approval for an increased limiting rate on March 20, 2012, the
7 limiting rate for tax year 2012 shall be the rate that
8 generates the approximate total amount of taxes extendable for
9 that tax year, as set forth in the proposition approved by the
10 voters; this rate shall be the final rate applied by the county
11 clerk for the aggregate of all capped funds of the district for
12 tax year 2012.

13 (Source: P.A. 103-154, eff. 6-30-23; 103-587, eff. 5-28-24;
14 103-591, eff. 7-1-24; 103-592, eff. 6-7-24; 104-417, eff.
15 8-15-25.)

16 Section 99. Effective date. This Act takes effect upon
17 becoming law.