



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB3844

Introduced 2/6/2026, by Sen. Darby A. Hills

SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-185
35 ILCS 200/18-205
35 ILCS 200/18-207 new
35 ILCS 200/18-212

Amends the Property Tax Extension Limitation Law in the Property Tax Code. Provides that a taxing district shall reduce its aggregate extension base for the purpose of lowering its limiting rate for future years upon referendum approval initiated by the submission of a petition by the voters of the district. Provides that the extension limitation shall be: (a) the lesser of 5% or the average percentage increase in the Consumer Price Index for the 10 years immediately preceding the levy year for which the extension limitation is being calculated; or (b) the rate of increase approved by the voters. Effective immediately.

LRB104 19189 HLH 32634 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 changing
5 Sections 18-185, 18-205, and 18-212 and by adding Section
6 18-207 as follows:

7 (35 ILCS 200/18-185)

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

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

14 "Extension limitation" means, for taxable years prior to
15 2026: (a) the lesser of 5% or the percentage increase in the
16 Consumer Price Index during the 12-month calendar year
17 preceding the levy year; or (b) the rate of increase approved
18 by voters under Section 18-205.

19 "Extension limitation" means, for taxable year 2026 and
20 thereafter: (a) the lesser of 5% or the average percentage
21 increase in the Consumer Price Index for the 10 years
22 immediately preceding the levy year for which the extension
23 limitation is being calculated; or (b) the rate of increase

1 approved by voters under Section 18-205.

2 "Affected county" means a county of 3,000,000 or more
3 inhabitants or a county contiguous to a county of 3,000,000 or
4 more inhabitants.

5 "Taxing district" has the same meaning provided in Section
6 1-150, except as otherwise provided in this Section. For the
7 1991 through 1994 levy years only, "taxing district" includes
8 only each non-home rule taxing district having the majority of
9 its 1990 equalized assessed value within any county or
10 counties contiguous to a county with 3,000,000 or more
11 inhabitants. Beginning with the 1995 levy year, "taxing
12 district" includes only each non-home rule taxing district
13 subject to this Law before the 1995 levy year and each non-home
14 rule taxing district not subject to this Law before the 1995
15 levy year having the majority of its 1994 equalized assessed
16 value in an affected county or counties. Beginning with the
17 levy year in which this Law becomes applicable to a taxing
18 district as provided in Section 18-213, "taxing district" also
19 includes those taxing districts made subject to this Law as
20 provided in Section 18-213.

21 "Aggregate extension" for taxing districts to which this
22 Law applied before the 1995 levy year means the annual
23 corporate extension for the taxing district and those special
24 purpose extensions that are made annually for the taxing
25 district, excluding special purpose extensions: (a) made for
26 the taxing district to pay interest or principal on general

1 obligation bonds that were approved by referendum; (b) made
2 for any taxing district to pay interest or principal on
3 general obligation bonds issued before October 1, 1991; (c)
4 made for any taxing district to pay interest or principal on
5 bonds issued to refund or continue to refund those bonds
6 issued before October 1, 1991; (d) made for any taxing
7 district to pay interest or principal on bonds issued to
8 refund or continue to refund bonds issued after October 1,
9 1991 that were approved by referendum; (e) made for any taxing
10 district to pay interest or principal on revenue bonds issued
11 before October 1, 1991 for payment of which a property tax levy
12 or the full faith and credit of the unit of local government is
13 pledged; however, a tax for the payment of interest or
14 principal on those bonds shall be made only after the
15 governing body of the unit of local government finds that all
16 other sources for payment are insufficient to make those
17 payments; (f) made for payments under a building commission
18 lease when the lease payments are for the retirement of bonds
19 issued by the commission before October 1, 1991, to pay for the
20 building project; (g) made for payments due under installment
21 contracts entered into before October 1, 1991; (h) made for
22 payments of principal and interest on bonds issued under the
23 Metropolitan Water Reclamation District Act to finance
24 construction projects initiated before October 1, 1991; (i)
25 made for payments of principal and interest on limited bonds,
26 as defined in Section 3 of the Local Government Debt Reform

1 Act, in an amount not to exceed the debt service extension base
2 less the amount in items (b), (c), (e), and (h) of this
3 definition for non-referendum obligations, except obligations
4 initially issued pursuant to referendum; (j) made for payments
5 of principal and interest on bonds issued under Section 15 of
6 the Local Government Debt Reform Act; (k) made by a school
7 district that participates in the Special Education District
8 of Lake County, created by special education joint agreement
9 under Section 10-22.31 of the School Code, for payment of the
10 school district's share of the amounts required to be
11 contributed by the Special Education District of Lake County
12 to the Illinois Municipal Retirement Fund under Article 7 of
13 the Illinois Pension Code; the amount of any extension under
14 this item (k) shall be certified by the school district to the
15 county clerk; (l) made to fund expenses of providing joint
16 recreational programs for persons with disabilities under
17 Section 5-8 of the Park District Code or Section 11-95-14 of
18 the Illinois Municipal Code; (m) made for temporary relocation
19 loan repayment purposes pursuant to Sections 2-3.77 and
20 17-2.2d of the School Code; (n) made for payment of principal
21 and interest on any bonds issued under the authority of
22 Section 17-2.2d of the School Code; (o) made for contributions
23 to a 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 (p) made for road purposes in the first year after a township

1 assumes the rights, powers, duties, assets, property,
2 liabilities, obligations, and responsibilities of a road
3 district abolished under the provisions of Section 6-133 of
4 the Illinois Highway Code; (q) made under Section 4 of the
5 Community Mental Health Act to provide the necessary funds or
6 to supplement existing funds for community mental health
7 facilities and services, including facilities and services for
8 the person with a developmental disability or a substance use
9 disorder; and (r) made for the payment of principal and
10 interest on any bonds issued under the authority of Section
11 17-2.11 of the School Code or to refund or continue to refund
12 those bonds.

13 "Aggregate extension" for the taxing districts to which
14 this Law did not apply before the 1995 levy year (except taxing
15 districts subject to this Law in accordance with Section
16 18-213) means the annual corporate extension for the taxing
17 district and those special purpose extensions that are made
18 annually for the taxing district, excluding special purpose
19 extensions: (a) made for the taxing district to pay interest
20 or principal on general obligation bonds that were approved by
21 referendum; (b) made for any taxing district to pay interest
22 or principal on general obligation bonds issued before March
23 1, 1995; (c) made for any taxing district to pay interest or
24 principal on bonds issued to refund or continue to refund
25 those bonds issued before March 1, 1995; (d) made for any
26 taxing district to pay interest or principal on bonds issued

1 to refund or continue to refund bonds issued after March 1,
2 1995 that were approved by referendum; (e) made for any taxing
3 district to pay interest or principal on revenue bonds issued
4 before March 1, 1995 for payment of which a property tax levy
5 or the full faith and credit of the unit of local government is
6 pledged; however, a tax for the payment of interest or
7 principal on those bonds shall be made only after the
8 governing body of the unit of local government finds that all
9 other sources for payment are insufficient to make those
10 payments; (f) made for payments under a building commission
11 lease when the lease payments are for the retirement of bonds
12 issued by the commission before March 1, 1995 to pay for the
13 building project; (g) made for payments due under installment
14 contracts entered into before March 1, 1995; (h) made for
15 payments of principal and interest on bonds issued under the
16 Metropolitan Water Reclamation District Act to finance
17 construction projects initiated before October 1, 1991; (h-4)
18 made for stormwater management purposes by the Metropolitan
19 Water Reclamation District of Greater Chicago under Section 12
20 of the Metropolitan Water Reclamation District Act; (h-8) made
21 for payments of principal and interest on bonds issued under
22 Section 9.6a of the Metropolitan Water Reclamation District
23 Act to make contributions to the pension fund established
24 under Article 13 of the Illinois Pension Code; (i) made for
25 payments of principal and interest on limited bonds, as
26 defined in Section 3 of the Local Government Debt Reform Act,

1 in an amount not to exceed the debt service extension base less
2 the amount in items (b), (c), and (e) of this definition for
3 non-referendum obligations, except obligations initially
4 issued pursuant to referendum and bonds described in
5 subsections (h) and (h-8) of this definition; (j) made for
6 payments of principal and interest on bonds issued under
7 Section 15 of the Local Government Debt Reform Act; (k) made
8 for payments of principal and interest on bonds authorized by
9 Public Act 88-503 and issued under Section 20a of the Chicago
10 Park District Act for aquarium or museum projects and bonds
11 issued under Section 20a of the Chicago Park District Act for
12 the purpose of making contributions to the pension fund
13 established under Article 12 of the Illinois Pension Code; (l)
14 made for payments of principal and interest on bonds
15 authorized by Public Act 87-1191 or 93-601 and (i) issued
16 pursuant to Section 21.2 of the Cook County Forest Preserve
17 District Act, (ii) issued under Section 42 of the Cook County
18 Forest Preserve District Act for zoological park projects, or
19 (iii) issued under Section 44.1 of the Cook County Forest
20 Preserve District Act for botanical gardens projects; (m) made
21 pursuant to Section 34-53.5 of the School Code, whether levied
22 annually or not; (n) made to fund expenses of providing joint
23 recreational programs for persons with disabilities under
24 Section 5-8 of the Park District Code or Section 11-95-14 of
25 the Illinois Municipal Code; (o) made by the Chicago Park
26 District for recreational programs for persons with

1 disabilities under subsection (c) of Section 7.06 of the
2 Chicago Park District Act; (p) made for contributions to a
3 firefighter's pension fund created under Article 4 of the
4 Illinois Pension Code, to the extent of the amount certified
5 under item (5) of Section 4-134 of the Illinois Pension Code;
6 (q) made by Ford Heights School District 169 under Section
7 17-9.02 of the School Code; (r) made for the purpose of making
8 employer contributions to the Public School Teachers' Pension
9 and Retirement Fund of Chicago under Section 34-53 of the
10 School Code; (s) made under Section 4 of the Community Mental
11 Health Act to provide the necessary funds or to supplement
12 existing funds for community mental health facilities and
13 services, including facilities and services for the person
14 with a developmental disability or a substance use disorder;
15 and (t) made for the payment of principal and interest on any
16 bonds issued under the authority of Section 17-2.11 of the
17 School Code or to refund or continue to refund those bonds.

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

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

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

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

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.

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

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

1 "Excluded non-referendum bonds" means (i) bonds authorized by
2 Public Act 88-503 and issued under Section 20a of the Chicago
3 Park District Act for aquarium and museum projects; (ii) bonds
4 issued under Section 15 of the Local Government Debt Reform
5 Act; or (iii) refunding obligations issued to refund or to
6 continue to refund obligations initially issued pursuant to
7 referendum.

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

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

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

12 Notwithstanding any other provision of law, for levy year
13 2012, the aggregate extension base for West Northfield School
14 District No. 31 in Cook County shall be \$12,654,592.

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

19 Notwithstanding any other provision of law, for levy year
20 2022, the aggregate extension base of a home equity assurance
21 program that levied at least \$1,000,000 in property taxes in
22 levy year 2019 or 2020 under the Home Equity Assurance Act
23 shall be the amount that the program's aggregate extension
24 base for levy year 2021 would have been if the program had
25 levied a property tax for levy year 2021.

26 "Levy year" has the same meaning as "year" under Section

1 1-155.

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

1 during the previous levy year. In addition, the county clerk
2 in a county containing a population of 3,000,000 or more shall
3 include in the 1997 recovered tax increment value for any
4 school district, any recovered tax increment value that was
5 applicable to the 1995 tax year calculations.

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

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

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

26 Except as otherwise provided in this Section, "limiting

1 rate" means a fraction the numerator of which is the last
2 preceding aggregate extension base (as reduced by Section
3 18-207, if applicable) times an amount equal to one plus the
4 extension limitation defined in this Section and the
5 denominator of which is the current year's equalized assessed
6 value of all real property in the territory under the
7 jurisdiction of the taxing district during the prior levy
8 year. For those taxing districts that reduced their aggregate
9 extension for the last preceding levy year, except for school
10 districts that reduced their extension for educational
11 purposes pursuant to Section 18-206 and taxing districts that
12 reduced their aggregate extension pursuant to Section 18-207,
13 the highest aggregate extension in any of the last 3 preceding
14 levy years shall be used for the purpose of computing the
15 limiting rate. The denominator shall not include new property
16 or the recovered tax increment value. If a new rate, a rate
17 decrease, or a limiting rate increase has been approved at an
18 election held after March 21, 2006, then (i) the otherwise
19 applicable limiting rate shall be increased by the amount of
20 the new rate or shall be reduced by the amount of the rate
21 decrease, as the case may be, or (ii) in the case of a limiting
22 rate increase, the limiting rate shall be equal to the rate set
23 forth in the proposition approved by the voters for each of the
24 years specified in the proposition, after which the limiting
25 rate of the taxing district shall be calculated as otherwise
26 provided. In the case of a taxing district that obtained

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

11 (35 ILCS 200/18-205)

12 Sec. 18-205. Referendum to increase the extension
13 limitation. A taxing district is limited to an extension
14 limitation as defined in Section 18-185 ~~of 5% or the~~
15 ~~percentage increase in the Consumer Price Index during the~~
16 ~~12 month calendar year preceding the levy year, whichever is~~
17 ~~less~~. A taxing district may increase its extension limitation
18 for one or more levy years if that taxing district holds a
19 referendum before the levy date for the first levy year at
20 which a majority of voters voting on the issue approves
21 adoption of a higher extension limitation. Referenda shall be
22 conducted at a regularly scheduled election in accordance with
23 the Election Code. The question shall be presented in
24 substantially the following manner for all elections held
25 after March 21, 2006:

1 Shall the extension limitation under the Property Tax
2 Extension Limitation Law for (insert the legal name,
3 number, if any, and county or counties of the taxing
4 district and geographic or other common name by which a
5 school or community college district is known and referred
6 to), Illinois, be increased from (the extension limitation
7 under item (a) of the definition of extension limitation
8 in Section 18-185) ~~the lesser of 5% or the percentage~~
9 ~~increase in the Consumer Price Index over the prior levy~~
10 ~~year~~ to (insert the percentage of the proposed increase)%
11 per year for (insert each levy year for which the
12 increased extension limitation will apply)?

13 The votes must be recorded as "Yes" or "No".

14 If a majority of voters voting on the issue approves the
15 adoption of the increase, the increase shall be applicable for
16 each levy year specified.

17 The ballot for any question submitted pursuant to this
18 Section shall have printed thereon, but not as a part of the
19 question submitted, only the following supplemental
20 information (which shall be supplied to the election authority
21 by the taxing district) in substantially the following form:

22 (1) For the (insert the first levy year for which the
23 increased extension limitation will be applicable) levy
24 year the approximate amount of the additional tax
25 extendable against property containing a single family
26 residence and having a fair market value at the time of the

1 referendum of \$100,000 is estimated to be \$....

2 (2) Based upon an average annual percentage increase
3 (or decrease) in the market value of such property of ...%
4 (insert percentage equal to the average annual percentage
5 increase or decrease for the prior 3 levy years, at the
6 time the submission of the question is initiated by the
7 taxing district, in the amount of (A) the equalized
8 assessed value of the taxable property in the taxing
9 district less (B) the new property included in the
10 equalized assessed value), the approximate amount of the
11 additional tax extendable against such property for the
12 ... levy year is estimated to be \$... and for the ... levy
13 year is estimated to be \$....

14 Paragraph (2) shall be included only if the increased
15 extension limitation will be applicable for more than one year
16 and shall list each levy year for which the increased
17 extension limitation will be applicable. The additional tax
18 shown for each levy year shall be the approximate dollar
19 amount of the increase over the amount of the most recently
20 completed extension at the time the submission of the question
21 is initiated by the taxing district. The approximate amount of
22 the additional tax extendable shown in paragraphs (1) and (2)
23 shall be calculated by multiplying \$100,000 (the fair market
24 value of the property without regard to any property tax
25 exemptions) by (i) the percentage level of assessment
26 prescribed for that property by statute, or by ordinance of

1 the county board in counties that classify property for
2 purposes of taxation in accordance with Section 4 of Article
3 IX of the Illinois Constitution; (ii) the most recent final
4 equalization factor certified to the county clerk by the
5 Department of Revenue at the time the taxing district
6 initiates the submission of the proposition to the electors;
7 (iii) the last known aggregate extension base of the taxing
8 district at the time the submission of the question is
9 initiated by the taxing district; and (iv) the difference
10 between the percentage increase proposed in the question and
11 the otherwise applicable extension limitation ~~lesser of 5% or~~
12 ~~the percentage increase in the Consumer Price Index for the~~
13 ~~prior levy year (or an estimate of the percentage increase for~~
14 ~~the prior levy year if the increase is unavailable at the time~~
15 ~~the submission of the question is initiated by the taxing~~
16 ~~district);~~ and dividing the result by the last known equalized
17 assessed value of the taxing district at the time the
18 submission of the question is initiated by the taxing
19 district. This amendatory Act of the 97th General Assembly is
20 intended to clarify the existing requirements of this Section,
21 and shall not be construed to validate any prior non-compliant
22 referendum language. Any notice required to be published in
23 connection with the submission of the question shall also
24 contain this supplemental information and shall not contain
25 any other supplemental information. Any error, miscalculation,
26 or inaccuracy in computing any amount set forth on the ballot

1 or in the notice that is not deliberate shall not invalidate or
2 affect the validity of any proposition approved. Notice of the
3 referendum shall be published and posted as otherwise required
4 by law, and the submission of the question shall be initiated
5 as provided by law.

6 (Source: P.A. 97-1087, eff. 8-24-12.)

7 (35 ILCS 200/18-207 new)

8 Sec. 18-207. Reduced aggregate extension base.

9 (a) Upon submission of a petition signed by a number of
10 voters of the taxing district that is not less than 10% of the
11 votes cast in the taxing district at the immediately preceding
12 gubernatorial election, the question of whether a taxing
13 district shall reduce its aggregate extension base for the
14 purpose of lowering its limiting rate for future years shall
15 be submitted to the voters of the taxing district at the next
16 general or consolidated election. The petition shall set forth
17 the amount of the reduction and the levy years for which the
18 reduction shall be applicable.

19 (b) The petition shall be filed with the applicable
20 election authority, as defined in Section 1-3 of the Election
21 Code, or, in the case of multiple election authorities, with
22 the State Board of Elections, not more than 10 months nor less
23 than 6 months prior to the election at which the question is to
24 be submitted to the voters, and its validity shall be
25 determined as provided by Article 28 of the Election Code and

1 general election law. The election authority or Board, as
2 applicable, shall certify the question and the proper election
3 authority or authorities shall submit the question to the
4 voters. Except as otherwise provided in this Section, this
5 referendum shall be subject to all other general election law
6 requirements.

7 (c) The proposition seeking to reduce the aggregate
8 extension base shall be in substantially the following form:

9 Shall the aggregate extension base used to calculate
10 the limiting rate for (taxing district) under the Property
11 Tax Extension Limitation Law be reduced by (amount of
12 money expressed in U.S. dollars) for (levy year or years)?
13 Votes shall be recorded as "Yes" or "No".

14 If a majority of all votes cast on the proposition are in
15 favor of the proposition, then the aggregate extension base
16 shall be reduced as provided in the referendum.

17 (35 ILCS 200/18-212)

18 Sec. 18-212. Referendum on debt service extension base. A
19 taxing district may establish or increase its debt service
20 extension base if (i) that taxing district holds a referendum
21 before the date on which the levy must be filed with the county
22 clerk of the county or counties in which the taxing district is
23 situated and (ii) a majority of voters voting on the issue
24 approves the establishment of or increase in the debt service
25 extension base. A debt service extension base established or

1 increased by a referendum held pursuant to this Section after
2 February 2, 2010, shall be increased each year, commencing
3 with the first levy year beginning after the date of the
4 referendum, by the extension limitation ~~lesser of 5% or the~~
5 ~~percentage increase in the Consumer Price Index during the~~
6 ~~12 month calendar year preceding the levy year~~ if the optional
7 language concerning the annual increase is included in the
8 question submitted to the electors of the taxing district.
9 Referenda under this Section shall be conducted at a regularly
10 scheduled election in accordance with the Election Code. The
11 governing body of the taxing district shall certify the
12 question to the proper election authorities who shall submit
13 the question to the electors of the taxing district in
14 substantially the following form:

15 "Shall the debt service extension base under the
16 Property Tax Extension Limitation Law for ... (taxing
17 district name) ... for payment of principal and interest
18 on limited bonds be ((established at \$) . (or)
19 (increased from \$ to \$)) .. for the levy
20 year and all subsequent levy years (optional language:,
21 such debt service extension base to be increased each year
22 by (extension limitation amount) ~~the lesser of 5% or the~~
23 ~~percentage increase in the Consumer Price Index during the~~
24 ~~12 month calendar year preceding the levy year)?"~~

25 Votes on the question shall be recorded as "Yes" or "No".

26 If a majority of voters voting on the issue approves the

1 establishment of or increase in the debt service extension
2 base, the establishment of or increase in the debt service
3 extension base shall be applicable for the levy years
4 specified.

5 (Source: P.A. 96-1202, eff. 7-22-10.)

6 Section 99. Effective date. This Act takes effect upon
7 becoming law.