

# SB3872



## 104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB3872

Introduced 2/6/2026, by Sen. Craig Wilcox

### SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-171 new

Amends the Property Tax Code. Creates the free and clear senior homestead exemption. Provides that certain homestead property that is owned and used a primary residence by a person who is 75 years of age or older and whose income does not exceed a specified income limitation is exempt from taxation under the Code.

LRB104 20188 HLH 33639 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 adding  
5 Section 15-171 as follows:

6 (35 ILCS 200/15-171 new)

7 Sec. 15-171. Free and clear senior homestead exemption.

8 (a) Beginning in taxable year 2027, qualified senior  
9 homestead property is exempt from taxation under the  
10 provisions of this Code.

11 (b) For land improved with an apartment building owned and  
12 operated as a cooperative, the maximum reduction from the  
13 value of the property, as equalized by the Department, shall  
14 be multiplied by the number of apartments or units occupied by  
15 a qualified senior citizen. For land improved with a life care  
16 facility, the maximum reduction from the value of the  
17 property, as equalized by the Department, shall be multiplied  
18 by the number of apartments or units occupied by a qualified  
19 senior citizen. In a cooperative or a life care facility where  
20 a homestead exemption has been granted, the cooperative  
21 association or the management firm of the cooperative or  
22 facility shall credit the savings resulting from that  
23 exemption only to the apportioned tax liability of the owner

1 or resident who qualified for the exemption. Any person who  
2 willfully refuses to so credit the savings shall be guilty of a  
3 Class B misdemeanor. Under this Section and Sections 15-175,  
4 15-176, and 15-177, "life care facility" means a facility, as  
5 defined in Section 2 of the Life Care Facilities Act, with  
6 which the applicant for the homestead exemption has a life  
7 care contract as defined in that Act

8 (c) If a homestead exemption has been granted under this  
9 Section and the person qualifying subsequently becomes a  
10 resident of a facility licensed under the Assisted Living and  
11 Shared Housing Act, the Nursing Home Care Act, the Specialized  
12 Mental Health Rehabilitation Act of 2013, the ID/DD Community  
13 Care Act, or the MC/DD Act, the exemption shall continue so  
14 long as the residence continues to be occupied by the  
15 qualifying person's spouse if the spouse is 75 years of age or  
16 older, or if the residence remains unoccupied but is still  
17 owned by the person qualified for the homestead exemption.

18 (d) The assessor or chief county assessment officer may  
19 determine the eligibility of a life care facility to receive  
20 the benefits provided by this Section, by affidavit,  
21 application, visual inspection, questionnaire or other  
22 reasonable methods in order to ensure that the tax savings  
23 resulting from the exemption are credited by the management  
24 firm to the apportioned tax liability of each qualifying  
25 resident. The assessor may request reasonable proof that the  
26 management firm has so credited the exemption.

1           (e) As used in this Section:

2           "Consumer Price Index" means the index published by the  
3 Bureau of Labor Statistics of the United States Department of  
4 Labor that measures the average change in prices of goods and  
5 services purchased by all urban consumers, United States city  
6 average, all items, 1982-84 = 100.

7           "Household income" has the meaning given to that term in  
8 Section 15-172.

9           "Maximum income limitation" means (i) for taxable year  
10 2027, \$100,000 and (ii) for taxable years after 2027, the  
11 maximum income limitation for the immediately preceding  
12 taxable year, multiplied by one plus the percentage increase,  
13 if any, in the Consumer Price Index for the calendar year  
14 immediately preceding the taxable year.

15           "Qualified senior citizen" means a person who:

16           (1) is 75 years of age or older on January 1 of the  
17 taxable year for which the exemption will be applied; and  
18           (2) has a household income that does not exceed the  
19 maximum income limitation.

20           "Qualified senior homestead property" means homestead  
21 property that:

22           (1) is used as a primary residence by qualified senior  
23 citizen who has an ownership interest in the property,  
24 legal, equitable, or as a lessee, and who is liable for the  
25 payment of property taxes;

26           (2) is not used as a primary residence by a student at

1       a school district or a community college district in the  
2       State; and  
3       (3) is not subject to any liens, including, but not  
4       limited to, a mortgage, home equity line of credit, or  
5       reverse mortgage.