



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB3931

Introduced 2/6/2026, by Sen. Paul Faraci

SYNOPSIS AS INTRODUCED:

30 ILCS 105/5.1038 new
20 ILCS 1305/1-105 new
35 ILCS 200/31-10
35 ILCS 200/31-15
35 ILCS 200/31-35

Amends the State Finance Act. Creates the Community Housing Reintegration Fund. Provides that moneys in the Fund may be used to provide housing-related costs for eligible persons who are either (i) transitioning out of congregate long-term care settings into less restrictive independent and community-based housing or (ii) facing impending placement in a congregate long-term care facility due to lack of affordable accessible housing. Amends the Property Tax Code. Increases the real estate transfer tax from \$0.50 per \$500 of valuation to \$0.75 per \$500 in valuation. Provides that a portion of the proceeds from the real estate transfer tax shall be deposited into the Community Housing Reintegration Fund. Effective immediately.

LRB104 20741 HLH 34244 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 State Finance Act is amended by adding
5 Section 5.1038 as follows:

6 (30 ILCS 105/5.1038 new)

7 Sec. 5.1038. The Community Reintegration Housing Fund.

8 Section 10. The Department of Human Services Act is
9 amended by adding Section 1-105 as follows:

10 (20 ILCS 1305/1-105 new)

11 Sec. 1-105. The Community Reintegration Housing Fund.

12 (a) There is hereby created the Community Housing
13 Reintegration Fund as a special fund in the State treasury.
14 The Fund shall be administered by the Department of Human
15 Services or other entity designated by the Governor. The
16 purpose of the Fund is to better implement the United States
17 Supreme Court decision in Olmstead v. L. C., 527 U.S. 581
18 (1999), reduce institutionalization of persons needing
19 long-term care, and rebalance the long-term care system toward
20 home-based and community-based services by providing ongoing
21 housing assistance to eligible persons who are either (i)

1 transitioning out of congregate long-term care settings into
2 less restrictive independent and community-based housing or
3 (ii) facing impending placement in a congregate long-term care
4 facility due to lack of affordable accessible housing. Moneys
5 in the Fund may be used only for housing-related costs.

6 (b) There shall be deposited into the Fund such amounts as
7 may become available under this Act, including, but not
8 limited to:

9 (1) amounts as provided in Section 31-35 of the Real
10 Estate Transfer Tax Law;

11 (2) any appropriations, grants, gifts, or other aid
12 from any federal or State body, local government, or any
13 other public organization or private individual made to
14 the Fund; or

15 (3) other funds as appropriated by the General
16 Assembly.

17 (c) Persons eligible for housing assistance benefits from
18 the Community Reintegration Housing Fund include:

19 (1) persons in a long-term care facility for whom lack
20 of appropriate affordable housing is a primary barrier to
21 transitioning into a less restrictive community
22 environment; or

23 (2) persons who are facing impending placement in a
24 long-term care facility and who are at or below 80% of the
25 median area income and are (i) disabled, blind, or over
26 age 65 or (ii) otherwise eligible for benefits under the

1 Title XVI of the Social Security Act, 42 U.S.C. 1381 et
2 seq., or Title XIX 42 U.S.C. 1396 et seq.

3 (d) Within 6 months after the effective date of this
4 amendatory Act of the 104th General Assembly, in consultation
5 with the Illinois Long Term Care Ombudsman, the designated
6 State Protection and Advocacy agency, and the Department of
7 Healthcare and Family Services, the Department of Human
8 Services shall adopt rules and procedures for the
9 administration of the Fund. The Fund's housing assistance
10 shall be similar to the federal Section 8 Housing Choice
11 Voucher program in that assistance payments shall be
12 structured to ensure that beneficiaries pay no more than 30%
13 of their income as housing costs and that beneficiaries may
14 relocate to a different residence that meets program rules
15 without losing housing benefits.

16 (d) As used in this Section:

17 "Facility" means a nursing home, state operated
18 developmental center, group home, or supportive living
19 facility.

20 Section 15. The Property Tax Code is amended by changing
21 Sections 31-10, 31-15, and 31-35 as follows:

22 (35 ILCS 200/31-10)

23 Sec. 31-10. Imposition of tax. A tax is imposed on the
24 privilege of transferring title to real estate located in

1 Illinois, on the privilege of transferring a beneficial
2 interest in real property located in Illinois, and on the
3 privilege of transferring a controlling interest in a real
4 estate entity owning property located in Illinois. Before July
5 1, 2026, the tax shall be imposed 7 at the rate of 50¢ for each
6 \$500 of value or fraction of \$500 stated in the declaration
7 required by Section 31-25. On and after July 1, 2026, the tax
8 shall be imposed at the rate of \$0.75 for each \$500 of value or
9 fraction of \$500 stated in the declaration required by Section
10 31-25. If, however, the transferring document states that the
11 real estate, beneficial interest, or controlling interest is
12 transferred subject to a mortgage, the amount of the mortgage
13 remaining outstanding at the time of transfer shall not be
14 included in the basis of computing the tax. The tax is due if
15 the transfer is made by one or more related transactions or
16 involves one or more persons or entities and whether or not a
17 document is recorded.

18 (Source: P.A. 93-657, eff. 6-1-04; 93-1099, eff. 6-1-05.)

19 (35 ILCS 200/31-15)

20 Sec. 31-15. Collection of tax.

21 (a) Paper revenue stamps. The tax shall be collected by
22 the recorder or registrar of titles of the county in which the
23 property is situated through the sale of revenue stamps, the
24 design, denominations and form of which shall be prescribed by
25 the Department. The revenue stamps shall be sold by the

1 Department to the recorder or registrar of titles who shall
2 cause them to be sold for the purposes prescribed. Before July
3 1, 2026, the ~~The~~ Department shall charge at a rate of 50¢ per
4 \$500 of value in units of not less than \$500. On and after July
5 1, 2026, the Department shall charge at a rate of 50¢ per \$500
6 of value in units of not less than \$500. The recorder or
7 registrar of titles of the several counties shall sell the
8 revenue stamps at a rate of 50¢ per \$500 of value or fraction
9 of \$500. The recorder or registrar of titles may use the
10 proceeds for the purchase of revenue stamps from the
11 Department. The Department must establish a system to allow
12 the recorder or registrar of titles to purchase the revenue
13 stamps electronically and must deliver the electronically
14 purchased stamps to the recorder or registrar of titles. Paper
15 revenue stamps shall be phased out by December 31, 2025.
16 Thereafter, all counties shall issue electronic revenue stamps
17 or alternative indicia.

18 (b) Electronic revenue stamp or alternative indicia. If
19 the recorder or registrar of titles uses an electronic revenue
20 stamp or alternative indicia, the recorder or registrar of
21 titles shall electronically file a return using an electronic
22 system required by the Department and electronically remit the
23 tax to the Department via a debit payment or ACH credit on or
24 before the 10th day of the month following the month in which
25 the tax was required to be collected. The return shall
26 disclose the tax collected and other information that the

1 Department may reasonably require. The return shall be filed
2 using an electronic format prescribed by the Department
3 through the MyDec system or another electronic system used by
4 the Department.

5 (c) The recordation of all transactions involving the sale
6 of property shall require the activity to be transmitted to
7 the Department through the use of the Department's electronic
8 system, whether paper revenue stamps, electronic revenue
9 stamps, or alternative indicia is employed.

10 If a return is not filed or the tax is not fully paid as
11 required under this Section within 15 days of the required
12 time period, the Department may eliminate the recorder or
13 registrar of titles' ability to electronically file its
14 returns and electronically remit the tax until such time as
15 the recorder or registrar of titles fully remits the return
16 and tax amount due.

17 (Source: P.A. 103-963, eff. 8-9-24.)

18 (35 ILCS 200/31-35)

19 Sec. 31-35. Deposit of tax revenue.

20 (a) Beginning on June 6, 2002 (the effective date of
21 Public Act 92-536) and through June 30, 2003, of the moneys
22 collected under Section 31-15, 50% shall be deposited into the
23 Illinois Affordable Housing Trust Fund, 20% into the Open
24 Space Lands Acquisition and Development Fund, 5% into the
25 Natural Areas Acquisition Fund, and 25% into the General

1 Revenue Fund.

2 (b) Beginning July 1, 2003, and through June 30, 2025, of
3 the moneys collected under Section 31-15, 50% shall be
4 deposited into the Illinois Affordable Housing Trust Fund, 35%
5 into the Open Space Lands Acquisition and Development Fund,
6 and 15% into the Natural Areas Acquisition Fund.

7 (c) Beginning July 1, 2025 and through June 30, 2026, of
8 the moneys collected under Section 31-15, the first \$300,000
9 shall be deposited into the Governor's Administrative Fund
10 each fiscal year. After all required deposits into the
11 Governor's Administrative Fund have been made, the remainder
12 shall be deposited as follows:

13 (1) 50% into the Illinois Affordable Housing Trust
14 Fund;

15 (2) 35% into the Open Space Lands Acquisition and
16 Development Fund; and

17 (3) 15% into the Natural Areas Acquisition Fund.

18 (d) Beginning July 1, 2026, of the moneys collected under
19 Section 31-15, the first \$300,000 shall be deposited into the
20 Governor's Administrative Fund each fiscal year. After all
21 required deposits into the Governor's Administrative Fund have
22 been made, the remainder shall be deposited as follows:

23 (1) 34% into the Illinois Affordable Housing Trust
24 Fund;

25 (2) 24% into the Open Space Lands Acquisition and
26 Development Fund;

- 1 (3) 10% into the Natural Areas Acquisition Fund; and
- 2 (4) 32% into the Community Reintegration Housing Fund.

3 (Source: P.A. 104-2, eff. 6-16-25.)

4 Section 99. Effective date. This Act takes effect upon

5 becoming law.