



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB4204

Introduced 5/13/2026, by Sen. Mark L. Walker

SYNOPSIS AS INTRODUCED:

35 ILCS 200/10-115
35 ILCS 200/10-125
35 ILCS 200/10-135
35 ILCS 200/10-145
35 ILCS 200/10-150
35 ILCS 200/10-152

Amends the Property Tax Code. Makes changes concerning certifications by the Department of Revenue for the purpose of establishing guidelines and valuations for farmland. Provides that cropland, permanent pasture, and other farmland shall be defined according to guidelines issued by the Department of Revenue (currently, U.S. Census Bureau definitions). Makes changes concerning equalization factors applied to farmland property. In provisions concerning property under a forestry management plan, provides that the Department of Natural Resources shall inform the Department of Revenue of each parcel of land covered by an approved forestry management plan, and the Department of Revenue shall notify each chief county assessment officer of each parcel of land covered by an approved forestry management plan (currently, the Department of Natural Resources notifies the Department of Revenue and each chief county assessment officer). Effective immediately.

LRB104 21867 HLH 37695 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 10-115, 10-125, 10-135, 10-145, 10-150, and 10-152 as
6 follows:

7 (35 ILCS 200/10-115)

8 Sec. 10-115. Department guidelines and valuations for
9 farmland. The Department shall issue guidelines and
10 recommendations for the valuation of farmland to achieve
11 equitable assessment within and between counties.

12 The Director of Revenue shall appoint a five-person
13 Farmland Assessment Technical Advisory Board, consisting of
14 technical experts from the colleges or schools of agriculture
15 of the State universities and State and federal agricultural
16 agencies, to advise in and provide data and technical
17 information needed for implementation of this Section.

18 By May 1 of each year, the Department shall certify to each
19 chief county assessment officer the following, calculated from
20 data provided by the Farmland Assessment Technical Advisory
21 Board, on a per acre basis by soil productivity index for
22 harvested cropland, using moving averages based upon ~~for~~ the
23 most recent 5-year period for which data are available:

1 (a) gross income, estimated ~~by~~ using annual yields per
2 acre, as assigned to soil productivity indices for the
3 major crops grown in this State, the crop mix for each soil
4 productivity index as determined by a Farmland Assessment
5 Technical Advisory Board representative from the
6 Department of Agricultural and Consumer Economics in the
7 College of Agricultural, Consumer, and Environmental
8 Sciences at the College of Agriculture of the University
9 of Illinois, and annual average prices received by farmers
10 for principal crops from associated publicly reported data
11 ~~as published by the Illinois Crop Reporting Service;~~

12 (b) non-land production costs for each soil
13 productivity index as calculated by the Department of
14 Agricultural and Consumer Economics in, ~~other than land~~
15 ~~costs, provided by~~ the College of Agricultural, Consumer,
16 and Environmental Sciences at Agriculture of the
17 University of Illinois;

18 (c) net return to land, for each soil productivity
19 index, which is calculated by subtracting non-land
20 production costs from estimated gross income; ~~which~~
21 ~~shall be the difference between (a) and (b) above;~~

22 (d) ~~a proposed~~ agricultural economic value (AEV)
23 determined by dividing the net return to land by a
24 farmland income capitalization rate, which shall be
25 determined based on the calculation year rate under
26 Section 2032A of the Internal Revenue Code, or its analog

1 in cases when the rate is not published by the Farm Credit
2 Bank district that contains Illinois, plus 3%; except
3 that, in cases when that calculated rate exceeds 10%, the
4 income capitalization rate will be 10%; and, in cases when
5 that calculated rate falls below 8%, the income
6 capitalization rate will equal 8% ~~the moving average of~~
7 ~~the Federal Land Bank farmland mortgage interest rate as~~
8 ~~calculated by the Department;~~

9 (e) ~~the~~ equalized assessed value per acre of farmland
10 for each soil productivity index, which shall be 33-1/3%
11 of the agricultural economic value, or the percentage as
12 provided under Section 17-5; but any increase or decrease
13 in the equalized assessed value per acre by soil
14 productivity index shall not exceed 10% from the immediate
15 preceding year's soil productivity index certified
16 assessed value of the median cropped soil; ~~in tax year~~
17 ~~2015 only, that 10% limitation shall be reduced by \$5 per~~
18 ~~acre;~~

19 (f) a proposed average equalized assessed value per
20 acre of cropland for each individual county, weighted by
21 the distribution of soils by productivity index in the
22 county; and

23 (g) a proposed average equalized assessed value per
24 acre for all farmland in each county, weighted (i) to
25 consider the proportions of all farmland acres in the
26 county which are cropland, permanent pasture, and other

1 farmland, and (ii) to reflect the valuations for those
2 types of land and debasements for slope and erosion as
3 required by Section 10-125.

4 (Source: P.A. 98-109, eff. 7-25-13.)

5 (35 ILCS 200/10-125)

6 Sec. 10-125. Assessment level by type of farmland.
7 Cropland, permanent pasture, and other farmland shall be
8 defined according to guidelines issued by the Department of
9 Revenue ~~U.S. Census Bureau definitions~~ in use during that
10 assessment year and assessed in the following way:

11 (a) Cropland shall be assessed in accordance with the
12 equalized assessed value of its soil productivity index as
13 certified by the Department and shall be debased to take
14 into account factors including, but not limited to, slope,
15 drainage, ponding, flooding, and field size and shape.

16 (b) Permanent pasture shall be assessed at 1/3 of its
17 debased productivity index equalized assessed value as
18 cropland.

19 (c) Other farmland shall be assessed at 1/6 of its
20 debased productivity index equalized assessed value as
21 cropland.

22 (d) Wasteland shall be assessed on its contributory
23 value to the farmland parcel.

24 In no case shall the equalized assessed value of permanent
25 pasture be below 1/3, nor the equalized assessed value of

1 other farmland, except wasteland, be below 1/6, of the
2 equalized assessed value per acre of cropland of the lowest
3 productivity index certified under Section 10-115.

4 (Source: P.A. 86-954; 88-455.)

5 (35 ILCS 200/10-135)

6 Sec. 10-135. Farmland not subject to equalization. The
7 assessed valuation of farmland assessed under Sections 10-110
8 through 10-130 shall not be subject to equalization by means
9 of State equalization factors. ~~Equalization factors applied by~~
10 ~~a chief county assessment officer or a Board of Review under~~
11 ~~Sections 9-205 and 16-60 shall be applied to assessments of~~
12 ~~farmland only to achieve assessments as required by Sections~~
13 ~~10-110 through 10-130.~~

14 (Source: P.A. 92-301, eff. 1-1-02.)

15 (35 ILCS 200/10-145)

16 Sec. 10-145. Farm dwellings. Each farm dwelling and
17 appurtenant structures and the tract upon which they are
18 immediately situated shall be assessed by the local assessing
19 officials at 33 1/3% of fair cash value except that in counties
20 that classify property for purposes of taxation in accordance
21 with Section 4 of Article IX of the Constitution they shall be
22 assessed at the percentage of fair cash value as required by
23 county ordinance. That assessment shall be subject to
24 equalization by the Department under Sections 17-5 through

1 17-30 and local equalization applied under Sections 9-205 and
2 16-60.

3 (Source: P.A. 82-554; 88-455.)

4 (35 ILCS 200/10-150)

5 Sec. 10-150. Property under forestry management plan. In
6 counties with less than 3,000,000 inhabitants, any land being
7 managed under a forestry management plan accepted by the
8 Department of Natural Resources under the Illinois Forestry
9 Development Act shall be considered as "other farmland" and
10 shall be valued at 1/6 of its productivity index equalized
11 assessed value as cropland. In counties with more than
12 3,000,000 inhabitants, any land totaling ~~totaling~~ 15 acres or
13 less for which an approved forestry management plan was in
14 effect on or before December 31, 1985, shall be considered
15 "other farmland". The Department of Natural Resources shall
16 inform the Department ~~and each chief county assessment officer~~
17 of each parcel of land covered by an approved forestry
18 management plan, and the Department shall notify each chief
19 county assessment officer of each parcel of land covered by an
20 approved forestry management plan.

21 (Source: P.A. 88-455; 89-445, eff. 2-7-96.)

22 (35 ILCS 200/10-152)

23 (Section scheduled to be repealed on December 31, 2026)

24 Sec. 10-152. Vegetative filter strip assessment.

1 (a) In counties with less than 3,000,000 inhabitants, any
2 land (i) that is located between a farm field and an area to be
3 protected, including but not limited to surface water, a
4 stream, a river, or a sinkhole and (ii) that meets the
5 requirements of subsection (b) of this Section shall be
6 considered a "vegetative filter strip" and valued at 1/6th of
7 its productivity index equalized assessed value as cropland.
8 In counties with 3,000,000 or more inhabitants, the land shall
9 be valued at the lesser of either (i) 16% of the fair cash
10 value of the farmland estimated at the price it would bring at
11 a fair, voluntary sale for use by the buyer as a farm as
12 defined in Section 1-60 or (ii) 90% of the 1983 average
13 equalized assessed value per acre certified by the Department
14 of Revenue.

15 (b) Vegetative filter strips shall meet the standards and
16 specifications set forth in the Natural Resources Conservation
17 Service Technical Guide and shall contain vegetation that (i)
18 has a dense top growth; (ii) forms a uniform ground cover;
19 (iii) has a heavy fibrous root system; and (iv) tolerates
20 pesticides used in the farm field.

21 (c) The county's soil and water conservation district
22 shall assist the taxpayer in completing a uniform certified
23 document ~~as prescribed by the Department of Revenue~~ in
24 cooperation with the Association of Illinois Soil and Water
25 Conservation Districts that certifies (i) that the property
26 meets the requirements established under this Section for

1 vegetative filter strips and (ii) the acreage or square
2 footage of property that qualifies for assessment as a
3 vegetative filter strip. The document shall be filed by the
4 applicant with the Chief County Assessment Officer. The Chief
5 County Assessment Officer shall promulgate rules concerning
6 the filing of the document. The soil and water conservation
7 district shall create a conservation plan for the creation of
8 the filter strip. The plan shall be kept on file in the soil
9 and water conservation district office. Nothing in this
10 Section shall be construed to require any taxpayer to have
11 vegetative filter strips.

12 (d) A joint report by the Department of Agriculture and
13 the Department of Natural Resources concerning the effect and
14 impact of vegetative filter strip assessment shall be
15 submitted to the General Assembly by March 1, 2006.

16 (e) (Blank). ~~This Section is repealed on December 31,~~
17 ~~2026.~~

18 (Source: P.A. 99-560, eff. 1-1-17; 99-916, eff. 12-30-16.)

19 Section 99. Effective date. This Act takes effect upon
20 becoming law.