



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

HB4538

by Rep. Chad Hays

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/10-140  
35 ILCS 200/15-173

Amends the Property Tax Code. In a Section granting a natural disaster homestead exemption, removes language providing that the square footage of the rebuilt residential structure may not be more than 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster. Removes provisions providing that the taxpayer's initial application for a natural disaster homestead exemption must be made no later than the first taxable year after the residential structure is rebuilt. Provides that, if the square footage of the rebuilt structure exceeds 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster, then the amount of the natural disaster homestead exemption is the equalized assessed value per square foot of the rebuilt structure multiplied by 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster minus the base amount. Provides that the amendatory Act is retroactive to the 2012 taxable year. Sets forth provisions concerning the valuation of farm improvements that have been rebuilt following a natural disaster. Effective immediately.

LRB100 15930 HLH 31045 b

FISCAL NOTE ACT  
MAY APPLY

HOUSING  
AFFORDABILITY  
IMPACT NOTE ACT  
MAY APPLY

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 10-140 and 15-173 as follows:

6 (35 ILCS 200/10-140)

7 Sec. 10-140. Other improvements; natural disaster.

8 (a) Improvements other than the dwelling, appurtenant  
9 structures and site, including, but not limited to, roadside  
10 stands and buildings used for storing and protecting farm  
11 machinery and equipment, for housing livestock or poultry, or  
12 for storing feed, grain or any substance that contributes to or  
13 is a product of the farm, shall have an equalized assessed  
14 value of 33 1/3% of their value, based upon the current use of  
15 those buildings and their contribution to the productivity of  
16 the farm.

17 (b) Improvements described in subsection (a) that have been  
18 rebuilt following a natural disaster occurring in taxable year  
19 2018 or thereafter shall be valued as follows:

20 (1) if the square footage of the improvement does not  
21 exceed 110% of the square footage of the original  
22 improvement as it existed immediately prior to the natural  
23 disaster, then the improvement shall be assessed at the

1 lesser of (i) the equalized assessed value of the  
2 improvement in the base year or (ii) the current year's  
3 equalized assessed value; and

4 (2) if the square footage of the improvement exceeds  
5 110% of the square footage of the original improvement as  
6 it existed immediately prior to the natural disaster, then  
7 the improvement shall be assessed at the lesser of (i) the  
8 equalized assessed value per square foot of the improvement  
9 in the base year multiplied by 110% of the square footage  
10 of the original improvement as it existed immediately prior  
11 to the natural disaster or (ii) the current year's  
12 equalized assessed value.

13 The valuation under this subsection (b) shall continue  
14 until the taxable year in which the property is first sold or  
15 transferred after the date of the natural disaster.

16 To receive the valuation under this subsection (b): (i) the  
17 improvement must be rebuilt within 2 years after the date of  
18 the natural disaster; and (ii) the taxpayer shall submit an  
19 application to the chief county assessment officer of the  
20 county in which the property is located by July 1 of each  
21 taxable year. A county may, by resolution, establish a date for  
22 submission of applications that is different than July 1. The  
23 chief county assessment officer may require additional  
24 documentation to be provided by the applicant.

25 (c) As used in this Section:

26 "Base year" and "natural disaster" have the meanings

1           given to those terms in Section 15-173.

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

3           (35 ILCS 200/15-173)

4           Sec. 15-173. Natural Disaster Homestead Exemption.

5           (a) This Section may be cited as the Natural Disaster  
6 Homestead Exemption.

7           (b) As used in this Section:

8           "Base amount" means the base year equalized assessed value  
9 of the residence.

10          "Base year" means the taxable year prior to the taxable  
11 year in which the natural disaster occurred.

12          "Chief county assessment officer" means the County  
13 Assessor or Supervisor of Assessments of the county in which  
14 the property is located.

15          "Equalized assessed value" means the assessed value as  
16 equalized by the Illinois Department of Revenue.

17          "Homestead property" has the meaning ascribed to that term  
18 in Section 15-175 of this Code.

19          "Natural disaster" means an occurrence of widespread or  
20 severe damage or loss of property resulting from any  
21 catastrophic cause including but not limited to fire, flood,  
22 earthquake, wind, storm, or extended period of severe inclement  
23 weather. In the case of a residential structure affected by  
24 flooding, the structure shall not be eligible for this  
25 homestead ~~improvement~~ exemption unless it is located within a

1 local jurisdiction which is participating in the National Flood  
2 Insurance Program. A proclamation of disaster by the President  
3 of the United States or Governor of the State of Illinois is  
4 not a prerequisite to the classification of an occurrence as a  
5 natural disaster under this Section.

6 "Residential structure" shall include the livable area of a  
7 residence, as well as decks, sheds, and other outbuildings that  
8 are on land that is contiguous with the homestead residence.

9 (c) A homestead exemption shall be granted by the chief  
10 county assessment officer for homestead properties containing  
11 a residential structure that has been rebuilt following a  
12 natural disaster occurring in taxable year 2012 or any taxable  
13 year thereafter. If the square footage of the rebuilt  
14 residential structure does not exceed 110% of the square  
15 footage of the original residential structure as it existed  
16 immediately prior to the natural disaster, then the ~~The~~ amount  
17 of the exemption is the equalized assessed value of the  
18 residence in the first taxable year for which the taxpayer  
19 applies for an exemption under this Section minus the base  
20 amount. If the square footage of the rebuilt residential  
21 structure exceeds 110% of the square footage of the original  
22 residential structure as it existed immediately prior to the  
23 natural disaster, then the amount of the exemption is the  
24 equalized assessed value per square foot of the residential  
25 structure in the first taxable year for which the taxpayer  
26 applies for an exemption multiplied by 110% of the square

1 footage of the original residential structure as it existed  
2 immediately prior to the natural disaster minus the base  
3 amount. To be eligible for an exemption under this Section, ~~+~~  
4 ~~(i)~~ the residential structure must be rebuilt within 2 years  
5 after the date of the natural disaster, ~~and (ii) the square~~  
6 ~~footage of the rebuilt residential structure may not be more~~  
7 ~~than 110% of the square footage of the original residential~~  
8 ~~structure as it existed immediately prior to the natural~~  
9 ~~disaster. The taxpayer's initial application for an exemption~~  
10 ~~under this Section must be made no later than the first taxable~~  
11 ~~year after the residential structure is rebuilt.~~ The exemption  
12 shall continue at the same annual amount until the taxable year  
13 in which the property is sold or transferred.

14 (d) To receive the exemption, the taxpayer shall submit an  
15 application to the chief county assessment officer of the  
16 county in which the property is located by July 1 of each  
17 taxable year. A county may, by resolution, establish a date for  
18 submission of applications that is different than July 1. The  
19 chief county assessment officer may require additional  
20 documentation to be provided by the applicant. The applications  
21 shall be clearly marked as applications for the Natural  
22 Disaster Homestead Exemption.

23 (e) Property is not eligible for an exemption under this  
24 Section and Section 15-180 for the same natural disaster or  
25 catastrophic event. The property may, however, remain eligible  
26 for an additional exemption under Section 15-180 for any

1 separate event occurring after the property qualified for an  
2 exemption under this Section.

3 (f) The exemption under this Section carries over to the  
4 benefit of the surviving spouse as long as the spouse holds the  
5 legal or beneficial title to the homestead and permanently  
6 resides thereon.

7 (f-5) The changes made by this amendatory Act of the 100th  
8 General Assembly apply to the 2012 taxable year and each  
9 taxable year thereafter. Any property owner denied an exemption  
10 prior to this amendatory Act of the 100th General Assembly who  
11 would be entitled to an exemption under this Section, as  
12 amended, may obtain relief by certificate of error.

13 (g) Notwithstanding Sections 6 and 8 of the State Mandates  
14 Act, no reimbursement by the State is required for the  
15 implementation of any mandate created by this Section.

16 (Source: P.A. 97-716, eff. 6-29-12.)

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