LRB101 08494 HLH 53571 b

101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB3588

by Rep. Michael J. Zalewski

SYNOPSIS AS INTRODUCED:

35 ILCS 200/9-275
35 ILCS 200/Art. 10 Div. 21 heading new
35 ILCS 200/10-800 was 35 ILCS 200/15-174
35 ILCS 200/Art. 15 Div. 1 heading new
35 ILCS 200/15-13 new
35 ILCS 200/Art. 15 Div. 2 heading new
35 ILCS 200/15-163 new
35 ILCS 200/15-167
35 ILCS 200/15-168
35 ILCS 200/15-169
35 ILCS 200/15-170
35 ILCS 200/15-172
35 ILCS 200/15-173
35 ILCS 200/15-175
35 ILCS 200/15-176
35 ILCS 200/15-177
35 ILCS 200/15-180
35 ILCS 200/Art. 15 Div. 3 heading new
35 ILCS 200/15-261 new
35 ILCS 200/15-262 new
35 ILCS 200/15-263 new
35 ILCS 200/15-265 new
35 ILCS 200/15-267 new
35 ILCS 200/15-268 new
35 ILCS 200/15-269 new
35 ILCS 200/15-270 new
35 ILCS 200/15-272 new
35 ILCS 200/15-273 new
35 ILCS 200/15-275 new
35 ILCS 200/15-280 new

Amends the Property Tax Code. Makes structural changes concerning homestead exemptions by creating separate divisions for homestead exemptions in counties with 3,000,000 or more inhabitants and counties with fewer than 3,000,000 inhabitants. Effective January 1, 2020.

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A BILL FOR

AN ACT concerning revenue.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 5. The Property Tax Code is amended by renumbering Section 15-174, by changing Sections 9-275, 15-167, 15-168, 15-169, 15-170, 15-172, 15-173, 15-175, 15-176, 15-177, and 15-180, by adding Division headings to Division 21 of Article 10, Division 1 of Article 15, and Division 2 of Article 15, and by adding Sections 15-13 and 15-163 and Division 3 of Article 15 as follows:

(35 ILCS 200/9-275)

Sec. 9-275. Erroneous homestead exemptions.

(a) For purposes of this Section:

"Erroneous homestead exemption" means a homestead exemption that was granted for real property in a taxable year if the property was not eligible for that exemption in that taxable year. If the taxpayer receives an erroneous homestead exemption under a single Section of this Code for the same property in multiple years, that exemption is considered a single erroneous homestead exemption for purposes of this Section. However, if the taxpayer receives erroneous homestead exemptions under multiple Sections of this Code for the same property, or if the taxpayer receives erroneous homestead exemptions under the same Section of this Code for multiple properties, then each of those exemptions is considered a separate erroneous homestead exemption for purposes of this Section.

"Homestead exemption" means an exemption under Division 2 of Article 15 of this Code ~~Section 15-165 (veterans with disabilities), 15-167 (returning veterans), 15-168 (persons with disabilities), 15-169 (standard homestead for veterans with disabilities), 15-170 (senior citizens), 15-172 (senior citizens assessment freeze), 15-175 (general homestead), 15-176 (alternative general homestead), or 15-177 (long-time occupant)~~.

"Erroneous exemption principal amount" means the total difference between the property taxes actually billed to a property index number and the amount of property taxes that would have been billed but for the erroneous exemption or exemptions.

"Taxpayer" means the property owner or leasehold owner that erroneously received a homestead exemption upon property.

(b) Notwithstanding any other provision of law, in counties with 3,000,000 or more inhabitants, the chief county assessment officer shall include the following information with each assessment notice sent in a general assessment year: (1) a list of each homestead exemption available under Article 15 of this Code and a description of the eligibility criteria for that exemption; (2) a list of each homestead exemption applied to the property in the current assessment year; (3) information regarding penalties and interest that may be incurred under this Section if the taxpayer received an erroneous homestead exemption in a previous taxable year; and (4) notice of the 60-day grace period available under this subsection. If, within 60 days after receiving his or her assessment notice, the taxpayer notifies the chief county assessment officer that he or she received an erroneous homestead exemption in a previous taxable year, and if the taxpayer pays the erroneous exemption principal amount, plus interest as provided in subsection (f), then the taxpayer shall not be liable for the penalties provided in subsection (f) with respect to that exemption.

(c) In counties with 3,000,000 or more inhabitants, when the chief county assessment officer determines that one or more erroneous homestead exemptions was applied to the property, the erroneous exemption principal amount, together with all applicable interest and penalties as provided in subsections (f) and (j), shall constitute a lien in the name of the People of Cook County on the property receiving the erroneous homestead exemption. Upon becoming aware of the existence of one or more erroneous homestead exemptions, the chief county assessment officer shall cause to be served, by both regular mail and certified mail, a notice of discovery as set forth in subsection (c-5). The chief county assessment officer in a county with 3,000,000 or more inhabitants may cause a lien to be recorded against property that (1) is located in the county and (2) received one or more erroneous homestead exemptions if, upon determination of the chief county assessment officer, the taxpayer received: (A) one or 2 erroneous homestead exemptions for real property, including at least one erroneous homestead exemption granted for the property against which the lien is sought, during any of the 3 collection years immediately prior to the current collection year in which the notice of discovery is served; or (B) 3 or more erroneous homestead exemptions for real property, including at least one erroneous homestead exemption granted for the property against which the lien is sought, during any of the 6 collection years immediately prior to the current collection year in which the notice of discovery is served. Prior to recording the lien against the property, the chief county assessment officer shall cause to be served, by both regular mail and certified mail, return receipt requested, on the person to whom the most recent tax bill was mailed and the owner of record, a notice of intent to record a lien against the property. The chief county assessment officer shall cause the notice of intent to record a lien to be served within 3 years from the date on which the notice of discovery was served.

(c-5) The notice of discovery described in subsection (c) shall: (1) identify, by property index number, the property for which the chief county assessment officer has knowledge indicating the existence of an erroneous homestead exemption; (2) set forth the taxpayer's liability for principal, interest, penalties, and administrative costs including, but not limited to, recording fees described in subsection (f); (3) inform the taxpayer that he or she will be served with a notice of intent to record a lien within 3 years from the date of service of the notice of discovery; (4) inform the taxpayer that he or she may pay the outstanding amount, plus interest, penalties, and administrative costs at any time prior to being served with the notice of intent to record a lien or within 30 days after the notice of intent to record a lien is served; and (5) inform the taxpayer that, if the taxpayer provided notice to the chief county assessment officer as provided in subsection (d-1) of Section 15-175 of this Code, upon submission by the taxpayer of evidence of timely notice and receipt thereof by the chief county assessment officer, the chief county assessment officer will withdraw the notice of discovery and reissue a notice of discovery in compliance with this Section in which the taxpayer is not liable for interest and penalties for the current tax year in which the notice was received.

For the purposes of this subsection (c-5):

"Collection year" means the year in which the first and second installment of the current tax year is billed.

"Current tax year" means the year prior to the collection year.

(d) The notice of intent to record a lien described in subsection (c) shall: (1) identify, by property index number, the property against which the lien is being sought; (2)

identify each specific homestead exemption that was erroneously granted and the year or years in which each exemption was granted; (3) set forth the erroneous exemption principal amount due and the interest amount and any penalty and administrative costs due; (4) inform the taxpayer that he or she may request a hearing within 30 days after service and may appeal the hearing officer's ruling to the circuit court; (5) inform the taxpayer that he or she may pay the erroneous exemption principal amount, plus interest and penalties, within 30 days after service; and (6) inform the taxpayer that, if the lien is recorded against the property, the amount of the lien will be adjusted to include the applicable recording fee and that fees for recording a release of the lien shall be incurred by the taxpayer. A lien shall not be filed pursuant to this Section if the taxpayer pays the erroneous exemption principal amount, plus penalties and interest, within 30 days of service of the notice of intent to record a lien.

(e) The notice of intent to record a lien shall also include a form that the taxpayer may return to the chief county assessment officer to request a hearing. The taxpayer may request a hearing by returning the form within 30 days after service. The hearing shall be held within 90 days after the taxpayer is served. The chief county assessment officer shall promulgate rules of service and procedure for the hearing. The chief county assessment officer must generally follow rules of evidence and practices that prevail in the county circuit courts, but, because of the nature of these proceedings, the chief county assessment officer is not bound by those rules in all particulars. The chief county assessment officer shall appoint a hearing officer to oversee the hearing. The taxpayer shall be allowed to present evidence to the hearing officer at the hearing. After taking into consideration all the relevant testimony and evidence, the hearing officer shall make an administrative decision on whether the taxpayer was erroneously granted a homestead exemption for the taxable year in question. The taxpayer may appeal the hearing officer's ruling to the circuit court of the county where the property is located as a final administrative decision under the Administrative Review Law.

(f) A lien against the property imposed under this Section shall be filed with the county recorder of deeds, but may not be filed sooner than 60 days after the notice of intent to record a lien was delivered to the taxpayer if the taxpayer does not request a hearing, or until the conclusion of the hearing and all appeals if the taxpayer does request a hearing. If a lien is filed pursuant to this Section and the taxpayer received one or 2 erroneous homestead exemptions during any of the 3 collection years immediately prior to the current collection year in which the notice of discovery is served, then the erroneous exemption principal amount, plus 10% interest per annum or portion thereof from the date the erroneous exemption principal amount would have become due if properly included in the tax bill, shall be charged against the property by the chief county assessment officer. However, if a lien is filed pursuant to this Section and the taxpayer received 3 or more erroneous homestead exemptions during any of the 6 collection years immediately prior to the current collection year in which the notice of discovery is served, the erroneous exemption principal amount, plus a penalty of 50% of the total amount of the erroneous exemption principal amount for that property and 10% interest per annum or portion thereof from the date the erroneous exemption principal amount would have become due if properly included in the tax bill, shall be charged against the property by the chief county assessment officer. If a lien is filed pursuant to this Section, the taxpayer shall not be liable for interest that accrues between the date the notice of discovery is served and the date the lien is filed. Before recording the lien with the county recorder of deeds, the chief county assessment officer shall adjust the amount of the lien to add administrative costs, including but not limited to the applicable recording fee, to the total lien amount.

(g) If a person received an erroneous homestead exemption under Section 15-170 and: (1) the person was the spouse, child, grandchild, brother, sister, niece, or nephew of the previous taxpayer; and (2) the person received the property by bequest or inheritance; then the person is not liable for the penalties imposed under this Section for any year or years during which the chief county assessment officer did not require an annual application for the exemption. However, that person is responsible for any interest owed under subsection (f).

(h) If the erroneous homestead exemption was granted as a result of a clerical error or omission on the part of the chief county assessment officer, and if the taxpayer has paid the tax bills as received for the year in which the error occurred, then the interest and penalties authorized by this Section with respect to that homestead exemption shall not be chargeable to the taxpayer. However, nothing in this Section shall prevent the collection of the erroneous exemption principal amount due and owing.

(i) A lien under this Section is not valid as to (1) any bona fide purchaser for value without notice of the erroneous homestead exemption whose rights in and to the underlying parcel arose after the erroneous homestead exemption was granted but before the filing of the notice of lien; or (2) any mortgagee, judgment creditor, or other lienor whose rights in and to the underlying parcel arose before the filing of the notice of lien. A title insurance policy for the property that is issued by a title company licensed to do business in the State showing that the property is free and clear of any liens imposed under this Section shall be prima facie evidence that the taxpayer is without notice of the erroneous homestead exemption. Nothing in this Section shall be deemed to impair the rights of subsequent creditors and subsequent purchasers under Section 30 of the Conveyances Act.

(j) When a lien is filed against the property pursuant to this Section, the chief county assessment officer shall mail a copy of the lien to the person to whom the most recent tax bill was mailed and to the owner of record, and the outstanding liability created by such a lien is due and payable within 30 days after the mailing of the lien by the chief county assessment officer. This liability is deemed delinquent and shall bear interest beginning on the day after the due date at a rate of 1.5% per month or portion thereof. Payment shall be made to the county treasurer. Upon receipt of the full amount due, as determined by the chief county assessment officer, the county treasurer shall distribute the amount paid as provided in subsection (k). Upon presentment by the taxpayer to the chief county assessment officer of proof of payment of the total liability, the chief county assessment officer shall provide in reasonable form a release of the lien. The release of the lien provided shall clearly inform the taxpayer that it is the responsibility of the taxpayer to record the lien release form with the county recorder of deeds and to pay any applicable recording fees.

(k) The county treasurer shall pay collected erroneous exemption principal amounts, pro rata, to the taxing districts, or their legal successors, that levied upon the subject property in the taxable year or years for which the erroneous homestead exemptions were granted, except as set forth in this

Section. The county treasurer shall deposit collected penalties and interest into a special fund established by the county treasurer to offset the costs of administration of the provisions of this Section by the chief county assessment officer's office, as appropriated by the county board. If the costs of administration of this Section exceed the amount of interest and penalties collected in the special fund, the chief county assessor shall be reimbursed by each taxing district or their legal successors for those costs. Such costs shall be paid out of the funds collected by the county treasurer on behalf of each taxing district pursuant to this Section.

(l) The chief county assessment officer in a county with 3,000,000 or more inhabitants shall establish an amnesty period for all taxpayers owing any tax due to an erroneous homestead exemption granted in a tax year prior to the 2013 tax year. The amnesty period shall begin on the effective date of this amendatory Act of the 98th General Assembly and shall run through December 31, 2013. If, during the amnesty period, the taxpayer pays the entire arrearage of taxes due for tax years prior to 2013, the county clerk shall abate and not seek to collect any interest or penalties that may be applicable and shall not seek civil or criminal prosecution for any taxpayer for tax years prior to 2013. Failure to pay all such taxes due during the amnesty period established under this Section shall invalidate the amnesty period for that taxpayer.

The chief county assessment officer in a county with

3,000,000 or more inhabitants shall (i) mail notice of the amnesty period with the tax bills for the second installment of taxes for the 2012 assessment year and (ii) as soon as possible after the effective date of this amendatory Act of the 98th General Assembly, publish notice of the amnesty period in a newspaper of general circulation in the county. Notices shall include information on the amnesty period, its purpose, and the method by which to make payment.

Taxpayers who are a party to any criminal investigation or to any civil or criminal litigation that is pending in any circuit court or appellate court, or in the Supreme Court of this State, for nonpayment, delinquency, or fraud in relation to any property tax imposed by any taxing district located in the State on the effective date of this amendatory Act of the 98th General Assembly may not take advantage of the amnesty period.

A taxpayer who has claimed 3 or more homestead exemptions in error shall not be eligible for the amnesty period established under this subsection.

(Source: P.A. 98-93, eff. 7-16-13; 98-756, eff. 7-16-14; 98-811, eff. 1-1-15; 98-1143, eff. 1-1-15; 99-143, eff. 7-27-15; 99-851, eff. 8-19-16.)

(35 ILCS 200/Art. 10 Div. 21 heading new)

Division 21. Community stabilization assessment freeze pilot program

(35 ILCS 200/10-800) (was 35 ILCS 200/15-174)

Sec. 10-800 ~~15-174~~. Community stabilization assessment freeze pilot program.

(a) Beginning January 1, 2015 and ending June 30, 2029, the chief county assessment officer of any county may reduce the assessed value of improvements to residential real property in accordance with subsection (b) for 10 taxable years after the improvements are put in service, if and only if all of the following factors have been met:

(1) the improvements are residential;

(2) the parcel was purchased or otherwise conveyed to the taxpayer after January 1 of the taxable year and that conveyance was not a tax sale as required under the Property Tax Code;

(3) the parcel is located in a targeted area;

(4) for single family homes, the taxpayer occupies the improvements on the parcel as his or her primary residence; for residences of one to 6 units that will not be owner-occupied, the taxpayer replaces 2 primary building systems as outlined in this Section;

(5) the transfer from the holder of the prior mortgage to the taxpayer was an arm's length transaction, in that the taxpayer has no legal relationship to the holder of the prior mortgage;

(6) an existing residential dwelling structure of no

more than 6 units on the parcel was unoccupied at the time of conveyance for a minimum of 6 months, or the parcel was ordered by a court of competent jurisdiction to be deconverted in accordance with the provisions governing distressed condominiums as provided in the Condominium Property Act;

(7) the parcel is clear of unreleased liens and has no outstanding tax liabilities attached against it; and

(8) the purchase price did not exceed the Federal Housing Administration's loan limits then in place for the area in which the improvement is located.

To be eligible for the benefit conferred by this Section, residential units must (i) meet local building codes, or if there are no local building codes, Housing Quality Standards, as determined by the U.S. Department of Housing and Urban Development from time to time and (ii) be owner-occupied or in need of substantial rehabilitation. "Substantial rehabilitation" means, at a minimum, compliance with local building codes and the replacement or renovation of at least 2 primary building systems. Although the cost of each primary building system may vary, the combined expenditure for making the building compliant with local codes and replacing primary building systems must be at least $5 per square foot, adjusted by the Consumer Price Index for All Urban Consumers, as published annually by the U.S. Department of Labor. "Primary building systems", together with their related rehabilitations, specifically approved for this program are:

(1) Electrical. All electrical work must comply with applicable codes; it may consist of a combination of any of the following alternatives:

(A) installing individual equipment and appliance branch circuits as required by code (the minimum being a kitchen appliance branch circuit);

(B) installing a new emergency service, including emergency lighting with all associated conduits and wiring;

(C) rewiring all existing feeder conduits ("home runs") from the main switchgear to apartment area distribution panels;

(D) installing new in-wall conduits for receptacles, switches, appliances, equipment, and fixtures;

(E) replacing power wiring for receptacles, switches, appliances, equipment, and fixtures;

(F) installing new light fixtures throughout the building including closets and central areas;

(G) replacing, adding, or doing work as necessary to bring all receptacles, switches, and other electrical devices into code compliance;

(H) installing a new main service, including conduit, cables into the building, and main disconnect switch; and

(I) installing new distribution panels, including all panel wiring, terminals, circuit breakers, and all other panel devices.

(2) Heating. All heating work must comply with applicable codes; it may consist of a combination of any of the following alternatives:

(A) installing a new system to replace one of the following heat distribution systems: (i) piping and heat radiating units, including new main line venting and radiator venting; or (ii) duct work, diffusers, and cold air returns; or (iii) any other type of existing heat distribution and radiation/diffusion components; or

(B) installing a new system to replace one of the following heat generating units: (i) hot water/steam boiler; (ii) gas furnace; or (iii) any other type of existing heat generating unit.

(3) Plumbing. All plumbing work must comply with applicable codes. Replace all or a part of the in-wall supply and waste plumbing; however, main supply risers, waste stacks and vents, and code-conforming waste lines need not be replaced.

(4) Roofing. All roofing work must comply with applicable codes; it may consist of either of the following alternatives, separately or in combination:

(A) replacing all rotted roof decks and

insulation; or

(B) replacing or repairing leaking roof membranes (10% is the suggested minimum replacement of membrane); restoration of the entire roof is an acceptable substitute for membrane replacement.

(5) Exterior doors and windows. Replace the exterior doors and windows. Renovation of ornate entry doors is an acceptable substitute for replacement.

(6) Floors, walls, and ceilings. Finishes must be replaced or covered over with new material. Acceptable replacement or covering materials are as follows:

(A) floors must have new carpeting, vinyl tile, ceramic, refurbished wood finish, or a similar substitute;

(B) walls must have new drywall, including joint taping and painting; or

(C) new ceilings must be either drywall, suspended type, or a similar substitute.

(7) Exterior walls.

(A) replace loose or crumbling mortar and masonry with new material;

(B) replace or paint wall siding and trim as needed;

(C) bring porches and balconies to a sound condition; or

(D) any combination of (A), (B), and (C).

(8) Elevators. Where applicable, at least 4 of the following 7 alternatives must be accomplished:

(A) replace or rebuild the machine room controls and refurbish the elevator machine (or equivalent mechanisms in the case of hydraulic elevators);

(B) replace hoistway electro-mechanical items including: ropes, switches, limits, buffers, levelers, and deflector sheaves (or equivalent mechanisms in the case of hydraulic elevators);

(C) replace hoistway wiring;

(D) replace door operators and linkage;

(E) replace door panels at each opening;

(F) replace hall stations, car stations, and signal fixtures; or

(G) rebuild the car shell and refinish the interior.

(9) Health and safety.

(A) install or replace fire suppression systems;

(B) install or replace security systems; or

(C) environmental remediation of lead-based paint, asbestos, leaking underground storage tanks, or radon.

(10) Energy conservation improvements undertaken to limit the amount of solar energy absorbed by a building's roof or to reduce energy use for the property, including any of the following activities:

(A) installing or replacing reflective roof coatings (flat roofs);

(B) installing or replacing R-38 roof insulation;

(C) installing or replacing R-19 perimeter wall insulation;

(D) installing or replacing insulated entry doors;

(E) installing or replacing Low E, insulated windows;

(F) installing or replacing low-flow plumbing fixtures;

(G) installing or replacing 90% sealed combustion heating systems;

(H) installing or replacing direct exhaust hot water heaters;

(I) installing or replacing mechanical ventilation to exterior for kitchens and baths;

(J) installing or replacing Energy Star appliances;

(K) installing low VOC interior paints on interior finishes;

(L) installing or replacing fluorescent lighting in common areas; or

(M) installing or replacing grading and landscaping to promote on-site water retention.

(b) For the first 7 years after the improvements are placed in service, the assessed value of the improvements shall be reduced by an amount equal to 90% of the difference between the base year assessed value of the improvements and the assessed value of the improvements in the current taxable year. The property will continue to be eligible for the benefits under this Section in the eighth and ninth taxable years after the improvements are placed in service, calculated as follows, if and only if all of the factors in subsection (a) of this Section continue to be met: in the eighth taxable year, the assessed value of the improvements shall be reduced by an amount equal to 65% of the difference between the base year assessed value of the improvements and the assessed value of the improvements in the current taxable year, and in the ninth taxable year, the assessed value of the improvements shall be reduced by an amount equal to 35% of the difference between the base year assessed value of the improvements and the assessed value of the improvements in the current taxable year. The benefit will cease in the tenth taxable year.

(c) In order to receive benefits under this Section, in addition to any information required by the chief county assessment officer, the taxpayer must also submit the following information to the chief county assessment officer for review:

(1) the owner's name;

(2) the postal address and permanent index number of the parcel;

(3) a deed or other instrument conveying the parcel to the current owner;

(4) evidence that the purchase price is within the

Federal Housing Administration's loan limits for the area in which the improvement is located;

(5) certification that the parcel was unoccupied at the time of conveyance to the current owner for a minimum of at least 6 months;

(6) evidence that the parcel is clear of unreleased liens and has no outstanding tax liabilities attached against it;

(7) evidence that the improvements meet local building codes, or if there are no local building codes, Housing Quality Standards, as determined by the U.S. Department of Housing and Urban Development from time to time, which may be shown by a certificate of occupancy issued by the appropriate local government or the certification by a home inspector licensed by the State of Illinois; and

(8) any additional information as reasonably required by the chief county assessment officer.

(d) The chief county assessment officer shall notify the taxpayer as to whether or not the parcel meets the requirements of this Section. If the parcel does not meet the requirements of this Section, the chief county assessment officer shall provide written notice of any deficiencies to the taxpayer, who will then have 14 days from the date of notification to provide supplemental information showing compliance with this Section. If the taxpayer does not exercise this right to cure the deficiency, or if the information submitted, in the sole judgment of the chief county assessment officer, is insufficient to meet the requirements of this Section, the chief county assessment officer shall provide a written explanation of the reasons for denial. A taxpayer may subsequently reapply for the benefit if the deficiencies are cured at a later date, but no later than 2019. The chief county assessment officer may charge a reasonable application fee to offset the administrative expenses associated with the program.

(e) The benefit conferred by this Section is limited as follows:

(1) The owner is eligible to apply for the benefit conferred by this Section beginning January 1, 2015 through December 31, 2019. If approved, the reduction will be effective for the current taxable year, which will be reflected in the tax bill issued in the following taxable year.

(2) The reduction outlined in this Section shall continue for a period of 10 years, and may not be extended or renewed for any additional period.

(3) At the completion of the assessment freeze period described here, the entire parcel will be assessed as otherwise provided in this Code.

(4) If there is a transfer of ownership during the period of the assessment freeze, then the benefit conferred by this Section shall not apply on or after the date of

that transfer unless (i) the property is conveyed by an owner who does not occupy the improvements as a primary residence to an owner who will occupy the improvements as a primary residence and (ii) all requirements of this Section continue to be met.

(f) If the taxpayer does not occupy or intend to occupy the residential dwelling as his or her principal residence within a reasonable time, as determined by the chief county assessment officer, the taxpayer must:

(1) immediately secure the residential dwelling in accordance with the requirements of this Section;

(2) complete sufficient rehabilitation to bring the improvements into compliance with local building codes, including, without limitation, regulations concerning lead-based paint and asbestos remediation; and

(3) complete rehabilitation within 18 months of conveyance.

(g) For the purposes of this Section,

"Base year" means the taxable year prior to the taxable year in which the property is purchased by the eligible homeowner.

"Secure" means that:

(1) all doors and windows are closed and secured using secure doors, windows without broken or cracked panes, commercial-quality metal security panels filled with like-kind material as the surrounding wall, or

plywood installed and secured in accordance with local ordinances; at least one building entrance shall be accessible from the exterior and secured with a door that is locked to allow access only to authorized persons;

(2) all grass and weeds on the vacant residential property are maintained below 10 inches in height, unless a local ordinance imposes a lower height;

(3) debris, trash, and litter on any portion of the exterior of the vacant residential property is removed in compliance with local ordinance;

(4) fences, gates, stairs, and steps that lead to the main entrance of the building are maintained in a structurally sound and reasonable manner;

(5) the property is winterized when appropriate;

(6) the exterior of the improvements are reasonably maintained to ensure the safety of passersby; and

(7) vermin and pests are regularly exterminated on the exterior and interior of the property.

"Targeted area" means a distressed community that meets the geographic, poverty, and unemployment criteria for a distressed community set forth in 12 C.F.R. 1806.200.

(Source: P.A. 98-789, eff. 1-1-15.)

(35 ILCS 200/Art. 15 Div. 1 heading new)

Division 1. Non-homestead exemptions in all counties

(35 ILCS 200/15-13 new)

Sec. 15-13. Applicability. This Division 1 applies in all counties and encompasses this Section and Sections occurring after this Section and prior to Section 15-163.

(35 ILCS 200/Art. 15 Div. 2 heading new)

Division 2. Homestead exemptions in counties of 3,000,000 or more inhabitants

(35 ILCS 200/15-163 new)

Sec. 15-163. Applicability. This Division 2 applies in counties with 3,000,000 or more inhabitants and encompasses this Section and Sections occurring after this Section and prior to Section 15-261.

(35 ILCS 200/15-167)

Sec. 15-167. Returning Veterans' Homestead Exemption.

(a) Beginning with taxable year 2007, a homestead exemption, limited to a reduction set forth under subsection (b), from the property's value, as equalized or assessed by the Department, is granted for property that is owned and occupied as the principal residence of a veteran returning from an armed conflict involving the armed forces of the United States who is liable for paying real estate taxes on the property and is an owner of record of the property or has a legal or equitable interest therein as evidenced by a written instrument, except for a leasehold interest, other than a leasehold interest of land on which a single family residence is located, which is occupied as the principal residence of a veteran returning from an armed conflict involving the armed forces of the United States who has an ownership interest therein, legal, equitable or as a lessee, and on which he or she is liable for the payment of property taxes. For purposes of the exemption under this Section, "veteran" means an Illinois resident who has served as a member of the United States Armed Forces, a member of the Illinois National Guard, or a member of the United States Reserve Forces.

(b) The ~~In all counties, the~~ reduction is $5,000 for the taxable year in which the veteran returns from active duty in an armed conflict involving the armed forces of the United States; however, if the veteran first acquires his or her principal residence during the taxable year in which he or she returns, but after January 1 of that year, and if the property is owned and occupied by the veteran as a principal residence on January 1 of the next taxable year, he or she may apply the exemption for the next taxable year, and only the next taxable year, after he or she returns. Beginning in taxable year 2010, the reduction shall also be allowed for the taxable year after the taxable year in which the veteran returns from active duty in an armed conflict involving the armed forces of the United

States. For land improved with an apartment building owned and operated as a cooperative, the maximum reduction from the value of the property, as equalized by the Department, must be multiplied by the number of apartments or units occupied by a veteran returning from an armed conflict involving the armed forces of the United States who is liable, by contract with the owner or owners of record, for paying property taxes on the property and is an owner of record of a legal or equitable interest in the cooperative apartment building, other than a leasehold interest. In a cooperative where a homestead exemption has been granted, the cooperative association or the management firm of the cooperative or facility shall credit the savings resulting from that exemption only to the apportioned tax liability of the owner or resident who qualified for the exemption. Any person who willfully refuses to so credit the savings is guilty of a Class B misdemeanor.

(c) Application must be made during the application period in effect for the county of his or her residence. The assessor ~~or chief county assessment officer~~ may determine the eligibility of residential property to receive the homestead exemption provided by this Section by application, visual inspection, questionnaire, or other reasonable methods. The determination must be made in accordance with guidelines established by the Department.

(d) The exemption under this Section is in addition to any other homestead exemption provided in this Article 15.

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

(Source: P.A. 96-1288, eff. 7-26-10; 96-1418, eff. 8-2-10; 97-333, eff. 8-12-11.)

(35 ILCS 200/15-168)

Sec. 15-168. Homestead exemption for persons with disabilities.

(a) Beginning with taxable year 2007, an annual homestead exemption is granted to persons with disabilities in the amount of $2,000, except as provided in subsection (c), to be deducted from the property's value as equalized or assessed by the Department of Revenue. The person with a disability shall receive the homestead exemption upon meeting the following requirements:

(1) The property must be occupied as the primary residence by the person with a disability.

(2) The person with a disability must be liable for paying the real estate taxes on the property.

(3) The person with a disability must be an owner of record of the property or have a legal or equitable interest in the property as evidenced by a written instrument. In the case of a leasehold interest in property, the lease must be for a single family residence.

A person who has a disability during the taxable year is eligible to apply for this homestead exemption during that taxable year. Application must be made during the application period in effect for the county of residence. If a homestead exemption has been granted under this Section and the person awarded the exemption subsequently becomes a resident of a facility licensed under the Nursing Home Care Act, the Specialized Mental Health Rehabilitation Act of 2013, the ID/DD Community Care Act, or the MC/DD Act, then the exemption shall continue (i) so long as the residence continues to be occupied by the qualifying person's spouse or (ii) if the residence remains unoccupied but is still owned by the person qualified for the homestead exemption.

(b) For the purposes of this Section, "person with a disability" means a person unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment which can be expected to result in death or has lasted or can be expected to last for a continuous period of not less than 12 months. Persons with disabilities filing claims under this Act shall submit proof of disability in such form and manner as the Department shall by rule and regulation prescribe. Proof that a claimant is eligible to receive disability benefits under the Federal Social Security Act shall constitute proof of disability for purposes of this Act. Issuance of an Illinois Person with a Disability Identification Card stating that the claimant is under a Class 2 disability, as defined in Section 4A of the Illinois

Identification Card Act, shall constitute proof that the person named thereon is a person with a disability for purposes of this Act. A person with a disability not covered under the Federal Social Security Act and not presenting an Illinois Person with a Disability Identification Card stating that the claimant is under a Class 2 disability shall be examined by a physician, advanced practice registered nurse, or physician assistant designated by the Department, and his status as a person with a disability determined using the same standards as used by the Social Security Administration. The costs of any required examination shall be borne by the claimant.

(c) For land improved with (i) an apartment building owned and operated as a cooperative or (ii) a life care facility as defined under Section 2 of the Life Care Facilities Act that is considered to be a cooperative, the maximum reduction from the value of the property, as equalized or assessed by the Department, shall be multiplied by the number of apartments or units occupied by a person with a disability. The person with a disability shall receive the homestead exemption upon meeting the following requirements:

(1) The property must be occupied as the primary residence by the person with a disability.

(2) The person with a disability must be liable by contract with the owner or owners of record for paying the apportioned property taxes on the property of the cooperative or life care facility. In the case of a life

care facility, the person with a disability must be liable for paying the apportioned property taxes under a life care contract as defined in Section 2 of the Life Care Facilities Act.

(3) The person with a disability must be an owner of record of a legal or equitable interest in the cooperative apartment building. A leasehold interest does not meet this requirement.

If a homestead exemption is granted under this subsection, the cooperative association or management firm shall credit the savings resulting from the exemption to the apportioned tax liability of the qualifying person with a disability. The assessor ~~chief county assessment officer~~ may request reasonable proof that the association or firm has properly credited the exemption. A person who willfully refuses to credit an exemption to the qualified person with a disability is guilty of a Class B misdemeanor.

(d) The assessor ~~chief county assessment officer~~ shall determine the eligibility of property to receive the homestead exemption according to guidelines established by the Department. After a person has received an exemption under this Section, an annual verification of eligibility for the exemption shall be mailed to the taxpayer.

~~In counties with fewer than 3,000,000 inhabitants, the chief county assessment officer shall provide to each person granted a homestead exemption under this Section a form to~~

~~designate any other person to receive a duplicate of any notice of delinquency in the payment of taxes assessed and levied under this Code on the person's qualifying property. The duplicate notice shall be in addition to the notice required to be provided to the person receiving the exemption and shall be given in the manner required by this Code. The person filing the request for the duplicate notice shall pay an administrative fee of $5 to the chief county assessment officer. The assessment officer shall then file the executed designation with the county collector, who shall issue the duplicate notices as indicated by the designation. A designation may be rescinded by the person with a disability in the manner required by the chief county assessment officer.~~

(e) A taxpayer who claims an exemption under Section 15-165 or 15-169 may not claim an exemption under this Section.

(Source: P.A. 99-143, eff. 7-27-15; 99-180, eff. 7-29-15; 99-581, eff. 1-1-17; 99-642, eff. 7-28-16; 100-513, eff. 1-1-18.)

(35 ILCS 200/15-169)

Sec. 15-169. Homestead exemption for veterans with disabilities.

(a) Beginning with taxable year 2007, an annual homestead exemption, limited to the amounts set forth in subsections (b) and (b-3), is granted for property that is used as a qualified residence by a veteran with a disability.

(b) For taxable years prior to 2015, the amount of the exemption under this Section is as follows:

(1) for veterans with a service-connected disability of at least (i) 75% for exemptions granted in taxable years 2007 through 2009 and (ii) 70% for exemptions granted in taxable year 2010 and each taxable year thereafter, as certified by the United States Department of Veterans Affairs, the annual exemption is $5,000; and

(2) for veterans with a service-connected disability of at least 50%, but less than (i) 75% for exemptions granted in taxable years 2007 through 2009 and (ii) 70% for exemptions granted in taxable year 2010 and each taxable year thereafter, as certified by the United States Department of Veterans Affairs, the annual exemption is $2,500.

(b-3) For taxable years 2015 and thereafter:

(1) if the veteran has a service connected disability of 30% or more but less than 50%, as certified by the United States Department of Veterans Affairs, then the annual exemption is $2,500;

(2) if the veteran has a service connected disability of 50% or more but less than 70%, as certified by the United States Department of Veterans Affairs, then the annual exemption is $5,000; and

(3) if the veteran has a service connected disability of 70% or more, as certified by the United States

Department of Veterans Affairs, then the property is exempt from taxation under this Code.

(b-5) If a homestead exemption is granted under this Section and the person awarded the exemption subsequently becomes a resident of a facility licensed under the Nursing Home Care Act or a facility operated by the United States Department of Veterans Affairs, then the exemption shall continue (i) so long as the residence continues to be occupied by the qualifying person's spouse or (ii) if the residence remains unoccupied but is still owned by the person who qualified for the homestead exemption.

(c) The tax exemption under this Section carries over to the benefit of the veteran's surviving spouse as long as the spouse holds the legal or beneficial title to the homestead, permanently resides thereon, and does not remarry. If the surviving spouse sells the property, an exemption not to exceed the amount granted from the most recent ad valorem tax roll may be transferred to his or her new residence as long as it is used as his or her primary residence and he or she does not remarry.

(c-1) Beginning with taxable year 2015, nothing in this Section shall require the veteran to have qualified for or obtained the exemption before death if the veteran was killed in the line of duty.

(d) The exemption under this Section applies for taxable year 2007 and thereafter. A taxpayer who claims an exemption under Section 15-165 or 15-168 may not claim an exemption under this Section.

(e) Each taxpayer who has been granted an exemption under this Section must reapply on an annual basis. Application must be made during the application period in effect for the county of his or her residence. The assessor ~~or chief county assessment officer~~ may determine the eligibility of residential property to receive the homestead exemption provided by this Section by application, visual inspection, questionnaire, or other reasonable methods. The determination must be made in accordance with guidelines established by the Department.

(e-1) If the person qualifying for the exemption does not occupy the qualified residence as of January 1 of the taxable year, the exemption granted under this Section shall be prorated on a monthly basis. The prorated exemption shall apply beginning with the first complete month in which the person occupies the qualified residence.

(f) For the purposes of this Section:

"Qualified residence" means real property, but less any portion of that property that is used for commercial purposes, with an equalized assessed value of less than $250,000 that is the primary residence of a veteran with a disability. Property rented for more than 6 months is presumed to be used for commercial purposes.

"Veteran" means an Illinois resident who has served as a member of the United States Armed Forces on active duty or State active duty, a member of the Illinois National Guard, or a member of the United States Reserve Forces and who has received an honorable discharge.

(Source: P.A. 99-143, eff. 7-27-15; 99-375, eff. 8-17-15; 99-642, eff. 7-28-16; 100-869, eff. 8-14-18.)

(35 ILCS 200/15-170)

Sec. 15-170. Senior citizens homestead exemption. An annual homestead exemption limited, except as described here with relation to cooperatives or life care facilities, to a maximum reduction set forth below from the property's value, as equalized or assessed by the Department, is granted for property that is occupied as a residence by a person 65 years of age or older who is liable for paying real estate taxes on the property and is an owner of record of the property or has a legal or equitable interest therein as evidenced by a written instrument, except for a leasehold interest, other than a leasehold interest of land on which a single family residence is located, which is occupied as a residence by a person 65 years or older who has an ownership interest therein, legal, equitable or as a lessee, and on which he or she is liable for the payment of property taxes. Before taxable year 2004, the maximum reduction shall be $2,500 ~~in counties with 3,000,000 or more inhabitants and $2,000 in all other counties~~. For taxable years 2004 through 2005, the maximum reduction shall be $3,000

~~in all counties~~. For taxable years 2006 and 2007, the maximum reduction shall be $3,500. For taxable years 2008 through 2011, the maximum reduction is $4,000 ~~in all counties~~. For taxable year 2012, the maximum reduction is $5,000 ~~in counties with 3,000,000 or more inhabitants and $4,000 in all other counties~~. For taxable years 2013 through 2016, the maximum reduction is $5,000 ~~in all counties~~. For taxable years 2017 and thereafter, the maximum reduction is $8,000 ~~in counties with 3,000,000 or more inhabitants and $5,000 in all other counties~~.

For land improved with an apartment building owned and operated as a cooperative, the maximum reduction from the value of the property, as equalized by the Department, shall be multiplied by the number of apartments or units occupied by a person 65 years of age or older who is liable, by contract with the owner or owners of record, for paying property taxes on the property and is an owner of record of a legal or equitable interest in the cooperative apartment building, other than a leasehold interest. For land improved with a life care facility, the maximum reduction from the value of the property, as equalized by the Department, shall be multiplied by the number of apartments or units occupied by persons 65 years of age or older, irrespective of any legal, equitable, or leasehold interest in the facility, who are liable, under a contract with the owner or owners of record of the facility, for paying property taxes on the property. In a cooperative or a life care facility where a homestead exemption has been granted, the cooperative association or the management firm of the cooperative or facility shall credit the savings resulting from that exemption only to the apportioned tax liability of the owner or resident who qualified for the exemption. Any person who willfully refuses to so credit the savings shall be guilty of a Class B misdemeanor. Under this Section and Sections 15-175, 15-176, and 15-177, "life care facility" means a facility, as defined in Section 2 of the Life Care Facilities Act, with which the applicant for the homestead exemption has a life care contract as defined in that Act.

When a homestead exemption has been granted under this Section and the person qualifying subsequently becomes a resident of a facility licensed under the Assisted Living and Shared Housing Act, the Nursing Home Care Act, the Specialized Mental Health Rehabilitation Act of 2013, the ID/DD Community Care Act, or the MC/DD Act, the exemption shall continue so long as the residence continues to be occupied by the qualifying person's spouse if the spouse is 65 years of age or older, or if the residence remains unoccupied but is still owned by the person qualified for the homestead exemption.

A person who will be 65 years of age during the current assessment year shall be eligible to apply for the homestead exemption during that assessment year. Application shall be made during the application period in effect for the county of his residence.

Beginning with assessment year 2003, for taxes payable in

2004, property that is first occupied as a residence after January 1 of any assessment year by a person who is eligible for the senior citizens homestead exemption under this Section must be granted a pro-rata exemption for the assessment year. The amount of the pro-rata exemption is the exemption allowed in the county under this Section divided by 365 and multiplied by the number of days during the assessment year the property is occupied as a residence by a person eligible for the exemption under this Section. The assessor ~~chief county assessment officer~~ must adopt reasonable procedures to establish eligibility for this pro-rata exemption.

The assessor ~~or chief county assessment officer~~ may determine the eligibility of a life care facility to receive the benefits provided by this Section, by affidavit, application, visual inspection, questionnaire or other reasonable methods in order to insure that the tax savings resulting from the exemption are credited by the management firm to the apportioned tax liability of each qualifying resident. The assessor may request reasonable proof that the management firm has so credited the exemption.

~~The chief county assessment officer of each county with less than 3,000,000 inhabitants shall provide to each person allowed a homestead exemption under this Section a form to designate any other person to receive a duplicate of any notice of delinquency in the payment of taxes assessed and levied under this Code on the property of the person receiving the~~

~~exemption. The duplicate notice shall be in addition to the notice required to be provided to the person receiving the exemption, and shall be given in the manner required by this Code. The person filing the request for the duplicate notice shall pay a fee of $5 to cover administrative costs to the supervisor of assessments, who shall then file the executed designation with the county collector. Notwithstanding any other provision of this Code to the contrary, the filing of such an executed designation requires the county collector to provide duplicate notices as indicated by the designation. A designation may be rescinded by the person who executed such designation at any time, in the manner and form required by the chief county assessment officer.~~

The assessor ~~or chief county assessment officer~~ may determine the eligibility of residential property to receive the homestead exemption provided by this Section by application, visual inspection, questionnaire or other reasonable methods. The determination shall be made in accordance with guidelines established by the Department.

Beginning ~~In counties with 3,000,000 or more inhabitants, beginning~~ in taxable year 2010, each taxpayer who has been granted an exemption under this Section must reapply on an annual basis. The assessor ~~chief county assessment officer~~ shall mail the application to the taxpayer. ~~In counties with less than 3,000,000 inhabitants, the county board may by resolution provide that if a person has been granted a~~

~~homestead exemption under this Section, the person qualifying need not reapply for the exemption.~~

~~In counties with less than 3,000,000 inhabitants, if the assessor or chief county assessment officer requires annual application for verification of eligibility for an exemption once granted under this Section, the application shall be mailed to the taxpayer.~~

The assessor ~~or chief county assessment officer~~ shall notify each person who qualifies for an exemption under this Section that the person may also qualify for deferral of real estate taxes under the Senior Citizens Real Estate Tax Deferral Act. The notice shall set forth the qualifications needed for deferral of real estate taxes, the address and telephone number of the county collector, and a statement that applications for deferral of real estate taxes may be obtained from the county collector.

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

(Source: P.A. 99-180, eff. 7-29-15; 100-401, eff. 8-25-17.)

(35 ILCS 200/15-172)

Sec. 15-172. Senior Citizens Assessment Freeze Homestead Exemption.

(a) This Section may be cited as the Senior Citizens Assessment Freeze Homestead Exemption.

(b) As used in this Section:

"Applicant" means an individual who has filed an application under this Section.

"Base amount" means the base year equalized assessed value of the residence plus the first year's equalized assessed value of any added improvements which increased the assessed value of the residence after the base year.

"Base year" means the taxable year prior to the taxable year for which the applicant first qualifies and applies for the exemption provided that in the prior taxable year the property was improved with a permanent structure that was occupied as a residence by the applicant who was liable for paying real property taxes on the property and who was either (i) an owner of record of the property or had legal or equitable interest in the property as evidenced by a written instrument or (ii) had a legal or equitable interest as a lessee in the parcel of property that was a single family residence. If in any subsequent taxable year for which the applicant applies and qualifies for the exemption the equalized assessed value of the residence is less than the equalized assessed value in the existing base year (provided that such equalized assessed value is not based on an assessed value that results from a temporary irregularity in the property that reduces the assessed value for one or more taxable years), then that subsequent taxable year shall become the base year until a new base year is established under the terms of this paragraph.

For taxable year 1999 only, the assessor ~~Chief County Assessment Officer~~ shall review (i) all taxable years for which the applicant applied and qualified for the exemption and (ii) the existing base year. The assessor ~~assessment officer~~ shall select as the new base year the year with the lowest equalized assessed value. An equalized assessed value that is based on an assessed value that results from a temporary irregularity in the property that reduces the assessed value for one or more taxable years shall not be considered the lowest equalized assessed value. The selected year shall be the base year for taxable year 1999 and thereafter until a new base year is established under the terms of this paragraph.

~~"Chief County Assessment Officer" means the County Assessor or Supervisor of Assessments of the county in which the property is located.~~

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

"Household" means the applicant, the spouse of the applicant, and all persons using the residence of the applicant as their principal place of residence.

"Household income" means the combined income of the members of a household for the calendar year preceding the taxable year.

"Income" has the same meaning as provided in Section 3.07 of the Senior Citizens and Persons with Disabilities Property Tax Relief Act, except that, beginning in assessment year 2001, "income" does not include veteran's benefits.

"Internal Revenue Code of 1986" means the United States Internal Revenue Code of 1986 or any successor law or laws relating to federal income taxes in effect for the year preceding the taxable year.

"Life care facility that qualifies as a cooperative" means a facility as defined in Section 2 of the Life Care Facilities Act.

"Maximum income limitation" means:

(1) $35,000 prior to taxable year 1999;

(2) $40,000 in taxable years 1999 through 2003;

(3) $45,000 in taxable years 2004 through 2005;

(4) $50,000 in taxable years 2006 and 2007;

(5) $55,000 in taxable years 2008 through 2016;

(6) for taxable year 2017, (i) $65,000 for qualified property located in a county with 3,000,000 or more inhabitants and (ii) $55,000 for qualified property located in a county with fewer than 3,000,000 inhabitants; and

(7) for taxable years 2018 and thereafter, $65,000 for all qualified property.

"Residence" means the principal dwelling place and appurtenant structures used for residential purposes in this State occupied on January 1 of the taxable year by a household and so much of the surrounding land, constituting the parcel upon which the dwelling place is situated, as is used for residential purposes. If the assessor ~~Chief County Assessment Officer~~ has established a specific legal description for a portion of property constituting the residence, then that portion of property shall be deemed the residence for the purposes of this Section.

"Taxable year" means the calendar year during which ad valorem property taxes payable in the next succeeding year are levied.

(c) Beginning in taxable year 1994, a senior citizens assessment freeze homestead exemption is granted for real property that is improved with a permanent structure that is occupied as a residence by an applicant who (i) is 65 years of age or older during the taxable year, (ii) has a household income that does not exceed the maximum income limitation, (iii) is liable for paying real property taxes on the property, and (iv) is an owner of record of the property or has a legal or equitable interest in the property as evidenced by a written instrument. This homestead exemption shall also apply to a leasehold interest in a parcel of property improved with a permanent structure that is a single family residence that is occupied as a residence by a person who (i) is 65 years of age or older during the taxable year, (ii) has a household income that does not exceed the maximum income limitation, (iii) has a legal or equitable ownership interest in the property as lessee, and (iv) is liable for the payment of real property taxes on that property.

The ~~In counties of 3,000,000 or more inhabitants, the~~ amount of the exemption for all taxable years is the equalized assessed value of the residence in the taxable year for which application is made minus the base amount. ~~In all other counties, the amount of the exemption is as follows: (i) through taxable year 2005 and for taxable year 2007 and thereafter, the amount of this exemption shall be the equalized assessed value of the residence in the taxable year for which application is made minus the base amount; and (ii) for taxable year 2006, the amount of the exemption is as follows:~~

~~(1) For an applicant who has a household income of $45,000 or less, the amount of the exemption is the equalized assessed value of the residence in the taxable year for which application is made minus the base amount.~~

~~(2) For an applicant who has a household income exceeding $45,000 but not exceeding $46,250, the amount of the exemption is (i) the equalized assessed value of the residence in the taxable year for which application is made minus the base amount (ii) multiplied by 0.8.~~

~~(3) For an applicant who has a household income exceeding $46,250 but not exceeding $47,500, the amount of the exemption is (i) the equalized assessed value of the residence in the taxable year for which application is made minus the base amount (ii) multiplied by 0.6.~~

~~(4) For an applicant who has a household income exceeding $47,500 but not exceeding $48,750, the amount of~~

~~the exemption is (i) the equalized assessed value of the residence in the taxable year for which application is made minus the base amount (ii) multiplied by 0.4.~~

~~(5) For an applicant who has a household income exceeding $48,750 but not exceeding $50,000, the amount of the exemption is (i) the equalized assessed value of the residence in the taxable year for which application is made minus the base amount (ii) multiplied by 0.2.~~

When the applicant is a surviving spouse of an applicant for a prior year for the same residence for which an exemption under this Section has been granted, the base year and base amount for that residence are the same as for the applicant for the prior year.

Each year at the time the assessment books are certified to the County Clerk, the Board of Review or Board of Appeals shall give to the County Clerk a list of the assessed values of improvements on each parcel qualifying for this exemption that were added after the base year for this parcel and that increased the assessed value of the property.

In the case of land improved with an apartment building owned and operated as a cooperative or a building that is a life care facility that qualifies as a cooperative, the maximum reduction from the equalized assessed value of the property is limited to the sum of the reductions calculated for each unit occupied as a residence by a person or persons (i) 65 years of age or older, (ii) with a household income that does not exceed the maximum income limitation, (iii) who is liable, by contract with the owner or owners of record, for paying real property taxes on the property, and (iv) who is an owner of record of a legal or equitable interest in the cooperative apartment building, other than a leasehold interest. In the instance of a cooperative where a homestead exemption has been granted under this Section, the cooperative association or its management firm shall credit the savings resulting from that exemption only to the apportioned tax liability of the owner who qualified for the exemption. Any person who willfully refuses to credit that savings to an owner who qualifies for the exemption is guilty of a Class B misdemeanor.

When a homestead exemption has been granted under this Section and an applicant then becomes a resident of a facility licensed under the Assisted Living and Shared Housing Act, the Nursing Home Care Act, the Specialized Mental Health Rehabilitation Act of 2013, the ID/DD Community Care Act, or the MC/DD Act, the exemption shall be granted in subsequent years so long as the residence (i) continues to be occupied by the qualified applicant's spouse or (ii) if remaining unoccupied, is still owned by the qualified applicant for the homestead exemption.

Beginning January 1, 1997, when an individual dies who would have qualified for an exemption under this Section, and the surviving spouse does not independently qualify for this exemption because of age, the exemption under this Section shall be granted to the surviving spouse for the taxable year preceding and the taxable year of the death, provided that, except for age, the surviving spouse meets all other qualifications for the granting of this exemption for those years.

When married persons maintain separate residences, the exemption provided for in this Section may be claimed by only one of such persons and for only one residence.

For ~~taxable year 1994 only, in counties having less than 3,000,000 inhabitants, to receive the exemption, a person shall submit an application by February 15, 1995 to the Chief County Assessment Officer of the county in which the property is located. In counties having 3,000,000 or more inhabitants, for~~ taxable year 1994 and all subsequent taxable years, to receive the exemption, a person may submit an application to the assessor ~~Chief County Assessment Officer of the county in which the property is located~~ during such period as may be specified by the assessor ~~Chief County Assessment Officer~~. The assessor ~~Chief County Assessment Officer in counties of 3,000,000 or more inhabitants~~ shall annually give notice of the application period by mail or by publication. ~~In counties having less than 3,000,000 inhabitants, beginning with taxable year 1995 and thereafter, to receive the exemption, a person shall submit an application by July 1 of each taxable year to the Chief County Assessment Officer of the county in which the property is located.~~ A county may, by ordinance, establish a date for submission of applications that is different than July 1. The applicant shall submit with the application an affidavit of the applicant's total household income, age, marital status (and if married the name and address of the applicant's spouse, if known), and principal dwelling place of members of the household on January 1 of the taxable year. The Department shall establish, by rule, a method for verifying the accuracy of affidavits filed by applicants under this Section, and the Chief County Assessment Officer may conduct audits of any taxpayer claiming an exemption under this Section to verify that the taxpayer is eligible to receive the exemption. Each application shall contain or be verified by a written declaration that it is made under the penalties of perjury. A taxpayer's signing a fraudulent application under this Act is perjury, as defined in Section 32-2 of the Criminal Code of 2012. The applications shall be clearly marked as applications for the Senior Citizens Assessment Freeze Homestead Exemption and must contain a notice that any taxpayer who receives the exemption is subject to an audit by the assessor ~~Chief County Assessment Officer~~.

~~Notwithstanding any other provision to the contrary, in counties having fewer than 3,000,000 inhabitants, if an applicant fails to file the application required by this Section in a timely manner and this failure to file is due to a mental or physical condition sufficiently severe so as to render the applicant incapable of filing the application in a~~

~~timely manner, the Chief County Assessment Officer may extend the filing deadline for a period of 30 days after the applicant regains the capability to file the application, but in no case may the filing deadline be extended beyond 3 months of the original filing deadline. In order to receive the extension provided in this paragraph, the applicant shall provide the Chief County Assessment Officer with a signed statement from the applicant's physician, advanced practice registered nurse, or physician assistant stating the nature and extent of the condition, that, in the physician's, advanced practice registered nurse's, or physician assistant's opinion, the condition was so severe that it rendered the applicant incapable of filing the application in a timely manner, and the date on which the applicant regained the capability to file the application.~~

~~Beginning January 1, 1998, notwithstanding any other provision to the contrary, in counties having fewer than 3,000,000 inhabitants, if an applicant fails to file the application required by this Section in a timely manner and this failure to file is due to a mental or physical condition sufficiently severe so as to render the applicant incapable of filing the application in a timely manner, the Chief County Assessment Officer may extend the filing deadline for a period of 3 months. In order to receive the extension provided in this paragraph, the applicant shall provide the Chief County Assessment Officer with a signed statement from the applicant's~~

~~physician, advanced practice registered nurse, or physician assistant stating the nature and extent of the condition, and that, in the physician's, advanced practice registered nurse's, or physician assistant's opinion, the condition was so severe that it rendered the applicant incapable of filing the application in a timely manner.~~

~~In counties having less than 3,000,000 inhabitants, if an applicant was denied an exemption in taxable year 1994 and the denial occurred due to an error on the part of an assessment official, or his or her agent or employee, then beginning in taxable year 1997 the applicant's base year, for purposes of determining the amount of the exemption, shall be 1993 rather than 1994. In addition, in taxable year 1997, the applicant's exemption shall also include an amount equal to (i) the amount of any exemption denied to the applicant in taxable year 1995 as a result of using 1994, rather than 1993, as the base year, (ii) the amount of any exemption denied to the applicant in taxable year 1996 as a result of using 1994, rather than 1993, as the base year, and (iii) the amount of the exemption erroneously denied for taxable year 1994.~~

For purposes of this Section, a person who will be 65 years of age during the current taxable year shall be eligible to apply for the homestead exemption during that taxable year. Application shall be made during the application period in effect for the county of his or her residence.

The assessor ~~Chief County Assessment Officer~~ may determine the eligibility of a life care facility that qualifies as a cooperative to receive the benefits provided by this Section by use of an affidavit, application, visual inspection, questionnaire, or other reasonable method in order to insure that the tax savings resulting from the exemption are credited by the management firm to the apportioned tax liability of each qualifying resident. The assessor ~~Chief County Assessment Officer~~ may request reasonable proof that the management firm has so credited that exemption.

Except as provided in this Section, all information received by the assessor ~~chief county assessment officer~~ or the Department from applications filed under this Section, or from any investigation conducted under the provisions of this Section, shall be confidential, except for official purposes or pursuant to official procedures for collection of any State or local tax or enforcement of any civil or criminal penalty or sanction imposed by this Act or by any statute or ordinance imposing a State or local tax. Any person who divulges any such information in any manner, except in accordance with a proper judicial order, is guilty of a Class A misdemeanor.

Nothing contained in this Section shall prevent the Director or assessor ~~chief county assessment officer~~ from publishing or making available reasonable statistics concerning the operation of the exemption contained in this Section in which the contents of claims are grouped into aggregates in such a way that information contained in any individual claim shall not be disclosed.

Notwithstanding any other provision of law, for taxable year 2017 and thereafter, in counties of 3,000,000 or more inhabitants, the amount of the exemption shall be the greater of (i) the amount of the exemption otherwise calculated under this Section or (ii) $2,000.

(d) Each assessor ~~Chief County Assessment Officer~~ shall annually publish a notice of availability of the exemption provided under this Section. The notice shall be published at least 60 days but no more than 75 days prior to the date on which the application must be submitted to the assessor ~~Chief County Assessment Officer~~ of the county in which the property is located. The notice shall appear in a newspaper of general circulation in the county.

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

(Source: P.A. 99-143, eff. 7-27-15; 99-180, eff. 7-29-15; 99-581, eff. 1-1-17; 99-642, eff. 7-28-16; 100-401, eff. 8-25-17; 100-513, eff. 1-1-18; 100-863, eff. 8-14-18.)

(35 ILCS 200/15-173)

Sec. 15-173. Natural Disaster Homestead Exemption.

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

(b) As used in this Section:

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

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

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

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

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

"Natural disaster" means an occurrence of widespread or severe damage or loss of property resulting from any catastrophic cause including, but not limited to, fire, flood, earthquake, wind, storm, or extended period of severe inclement weather. In the case of a residential structure affected by flooding, the structure shall not be eligible for this homestead improvement exemption unless it is located within a local jurisdiction which is participating in the National Flood Insurance Program. A proclamation of disaster by the President of the United States or Governor of the State of Illinois is not a prerequisite to the classification of an occurrence as a natural disaster under this Section.

(c) A homestead exemption shall be granted by the assessor ~~chief county assessment officer~~ for homestead properties containing a residential structure that has been rebuilt following a natural disaster occurring in taxable year 2012 or any taxable year thereafter. The amount of the exemption is the equalized assessed value of the residence in the first taxable year for which the taxpayer applies for an exemption under this Section minus the base amount. To be eligible for an exemption under this Section: (i) the residential structure must be rebuilt within 2 years after the date of the natural disaster; and (ii) 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. The taxpayer's initial application for an exemption under this Section must be made no later than the first taxable year after the residential structure is rebuilt. The exemption shall continue at the same annual amount until the taxable year in which the property is sold or transferred.

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

(e) Property is not eligible for an exemption under this

Section and Section 15-180 for the same natural disaster or catastrophic event. The property may, however, remain eligible for an additional exemption under Section 15-180 for any separate event occurring after the property qualified for an exemption under this Section.

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

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

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

(35 ILCS 200/15-175)

Sec. 15-175. General homestead exemption.

(a) Except as provided in Sections 15-176 and 15-177, homestead property is entitled to an annual homestead exemption limited, except as described here with relation to cooperatives or life care facilities, to a reduction in the equalized assessed value of homestead property equal to the increase in equalized assessed value for the current assessment year above the equalized assessed value of the property for 1977, up to the maximum reduction set forth below. If however, the 1977 equalized assessed value upon which taxes were paid is subsequently determined by local assessing officials, the

Property Tax Appeal Board, or a court to have been excessive, the equalized assessed value which should have been placed on the property for 1977 shall be used to determine the amount of the exemption.

(b) Except as provided in Section 15-176, the maximum reduction before taxable year 2004 shall be $4,500 ~~in counties with 3,000,000 or more inhabitants and $3,500 in all other counties~~. Except as provided in Sections 15-176 and 15-177, for taxable years 2004 through 2007, the maximum reduction shall be $5,000, for taxable year 2008, the maximum reduction is $5,500, and, for taxable years 2009 through 2011, the maximum reduction is $6,000 ~~in all counties~~. For taxable years 2012 through 2016, the maximum reduction is $7,000 ~~in counties with 3,000,000 or more inhabitants and $6,000 in all other counties~~. For taxable years 2017 and thereafter, the maximum reduction is $10,000 ~~in counties with 3,000,000 or more inhabitants and $6,000 in all other counties~~. If a county has elected to subject itself to the provisions of Section 15-176 as provided in subsection (k) of that Section, then, for the first taxable year only after the provisions of Section 15-176 no longer apply, for owners who, for the taxable year, have not been granted a senior citizens assessment freeze homestead exemption under Section 15-172 or a long-time occupant homestead exemption under Section 15-177, there shall be an additional exemption of $5,000 for owners with a household income of $30,000 or less.

(c) <u>(Blank).</u> ~~In counties with fewer than 3,000,000~~

~~inhabitants, if, based on the most recent assessment, the equalized assessed value of the homestead property for the current assessment year is greater than the equalized assessed value of the property for 1977, the owner of the property shall automatically receive the exemption granted under this Section in an amount equal to the increase over the 1977 assessment up to the maximum reduction set forth in this Section.~~

(d) If in any assessment year beginning with the 2000 assessment year, homestead property has a pro-rata valuation under Section 9-180 resulting in an increase in the assessed valuation, a reduction in equalized assessed valuation equal to the increase in equalized assessed value of the property for the year of the pro-rata valuation above the equalized assessed value of the property for 1977 shall be applied to the property on a proportionate basis for the period the property qualified as homestead property during the assessment year. The maximum proportionate homestead exemption shall not exceed the maximum homestead exemption allowed in the county under this Section divided by 365 and multiplied by the number of days the property qualified as homestead property.

(d-1) In counties with 3,000,000 or more inhabitants, where the chief county assessment officer provides a notice of discovery, if a property is not occupied by its owner as a principal residence as of January 1 of the current tax year, then the property owner shall notify the chief county assessment officer of that fact on a form prescribed by the chief county assessment officer. That notice must be received by the chief county assessment officer on or before March 1 of the collection year. If mailed, the form shall be sent by certified mail, return receipt requested. If the form is provided in person, the chief county assessment officer shall provide a date stamped copy of the notice. Failure to provide timely notice pursuant to this subsection (d-1) shall result in the exemption being treated as an erroneous exemption. Upon timely receipt of the notice for the current tax year, no exemption shall be applied to the property for the current tax year. If the exemption is not removed upon timely receipt of the notice by the chief assessment officer, then the error is considered granted as a result of a clerical error or omission on the part of the chief county assessment officer as described in subsection (h) of Section 9-275, and the property owner shall not be liable for the payment of interest and penalties due to the erroneous exemption for the current tax year for which the notice was filed after the date that notice was timely received pursuant to this subsection. Notice provided under this subsection shall not constitute a defense or amnesty for prior year erroneous exemptions.

For the purposes of this subsection (d-1):

"Collection year" means the year in which the first and second installment of the current tax year is billed.

"Current tax year" means the year prior to the collection year.

(e) The assessor ~~chief county assessment officer~~ may, when considering whether to grant a leasehold exemption under this Section, require the following conditions to be met:

(1) that a notarized application for the exemption, signed by both the owner and the lessee of the property, must be submitted each year during the application period in effect for the county in which the property is located;

(2) that a copy of the lease must be filed with the assessor ~~chief county assessment officer~~ by the owner of the property at the time the notarized application is submitted;

(3) that the lease must expressly state that the lessee is liable for the payment of property taxes; and

(4) that the lease must include the following language in substantially the following form:

"Lessee shall be liable for the payment of real estate taxes with respect to the residence in accordance with the terms and conditions of Section 15-175 of the Property Tax Code (35 ILCS 200/15-175). The permanent real estate index number for the premises is (insert number), and, according to the most recent property tax bill, the current amount of real estate taxes associated with the premises is (insert amount) per year. The parties agree that the monthly rent set forth above shall be increased or decreased pro rata (effective January 1 of each calendar year) to reflect any increase or decrease in real estate taxes. Lessee shall be deemed to be satisfying Lessee's liability for the above mentioned real estate taxes with the monthly rent payments as set forth above (or increased or decreased as set forth herein).".

In addition, if there is a change in lessee, or if the lessee vacates the property, then the assessor ~~chief county assessment officer~~ may require the owner of the property to notify the assessor ~~chief county assessment officer~~ of that change.

This subsection (e) does not apply to leasehold interests in property owned by a municipality.

(f) "Homestead property" under this Section includes residential property that is occupied by its owner or owners as his or their principal dwelling place, or that is a leasehold interest on which a single family residence is situated, which is occupied as a residence by a person who has an ownership interest therein, legal or equitable or as a lessee, and on which the person is liable for the payment of property taxes. For land improved with an apartment building owned and operated as a cooperative, the maximum reduction from the equalized assessed value shall be limited to the increase in the value above the equalized assessed value of the property for 1977, up to the maximum reduction set forth above, multiplied by the number of apartments or units occupied by a person or persons who is liable, by contract with the owner or owners of record, for paying property taxes on the property and is an owner of record of a legal or equitable interest in the cooperative apartment building, other than a leasehold interest. For land improved with a life care facility, the maximum reduction from the value of the property, as equalized by the Department, shall be multiplied by the number of apartments or units occupied by a person or persons, irrespective of any legal, equitable, or leasehold interest in the facility, who are liable, under a life care contract with the owner or owners of record of the facility, for paying property taxes on the property. For purposes of this Section, the term "life care facility" has the meaning stated in Section 15-170.

"Household", as used in this Section, means the owner, the spouse of the owner, and all persons using the residence of the owner as their principal place of residence.

"Household income", as used in this Section, means the combined income of the members of a household for the calendar year preceding the taxable year.

"Income", as used in this Section, has the same meaning as provided in Section 3.07 of the Senior Citizens and Persons with Disabilities Property Tax Relief Act, except that "income" does not include veteran's benefits.

(g) In a cooperative or life care facility where a homestead exemption has been granted, the cooperative association or the management of the cooperative or life care facility shall credit the savings resulting from that exemption only to the apportioned tax liability of the owner or resident who qualified for the exemption. Any person who willfully refuses to so credit the savings shall be guilty of a Class B misdemeanor.

(h) Where married persons maintain and reside in separate residences qualifying as homestead property, each residence shall receive 50% of the total reduction in equalized assessed valuation provided by this Section.

(i) The ~~In all counties, the~~ assessor ~~or chief county assessment officer~~ may determine the eligibility of residential property to receive the homestead exemption and the amount of the exemption by application, visual inspection, questionnaire or other reasonable methods. The determination shall be made in accordance with guidelines established by the Department, provided that the taxpayer applying for an additional general exemption under this Section shall submit to the assessor ~~chief county assessment officer~~ an application with an affidavit of the applicant's total household income, age, marital status (and, if married, the name and address of the applicant's spouse, if known), and principal dwelling place of members of the household on January 1 of the taxable year. The Department shall issue guidelines establishing a method for verifying the accuracy of the affidavits filed by applicants under this paragraph. The applications shall be clearly marked as applications for the Additional General Homestead Exemption.

(i-5) ~~This subsection (i-5) applies to counties with 3,000,000 or more inhabitants.~~ In the event of a sale of homestead property, the homestead exemption shall remain in effect for the remainder of the assessment year of the sale. Upon receipt of a transfer declaration transmitted by the recorder pursuant to Section 31-30 of the Real Estate Transfer Tax Law for property receiving an exemption under this Section, the assessor shall mail a notice and forms to the new owner of the property providing information pertaining to the rules and applicable filing periods for applying or reapplying for homestead exemptions under this Code for which the property may be eligible. If the new owner fails to apply or reapply for a homestead exemption during the applicable filing period or the property no longer qualifies for an existing homestead exemption, the assessor shall cancel such exemption for any ensuing assessment year.

(j) (Blank). ~~In counties with fewer than 3,000,000 inhabitants, in the event of a sale of homestead property the homestead exemption shall remain in effect for the remainder of the assessment year of the sale. The assessor or chief county assessment officer may require the new owner of the property to apply for the homestead exemption for the following assessment year.~~

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

(l) The changes made to this Section by this amendatory Act of the 100th General Assembly are effective for the 2018 tax year and thereafter.

(Source: P.A. 99-143, eff. 7-27-15; 99-164, eff. 7-28-15; 99-642, eff. 7-28-16; 99-851, eff. 8-19-16; 100-401, eff. 8-25-17; 100-1077, eff. 1-1-19.)

(35 ILCS 200/15-176)

Sec. 15-176. Alternative general homestead exemption.

(a) For the assessment years as determined under subsection (j), in any county that has elected, by an ordinance in accordance with subsection (k), to be subject to the provisions of this Section in lieu of the provisions of Section 15-175, homestead property is entitled to an annual homestead exemption equal to a reduction in the property's equalized assessed value calculated as provided in this Section.

(b) As used in this Section:

(1) "Assessor" means the supervisor of assessments or the chief county assessment officer of each county.

(2) "Adjusted homestead value" means the lesser of the following values:

(A) The property's base homestead value increased by 7% for each tax year after the base year through and including the current tax year, or, if the property is sold or ownership is otherwise transferred, the property's base homestead value increased by 7% for each tax year after the year of the sale or transfer through and including the current tax year. The increase by 7% each year is an increase by 7% over the prior year.

(B) The property's equalized assessed value for the current tax year minus: (i) $4,500 ~~in Cook County or $3,500 in all other counties~~ in tax year 2003; (ii) $5,000 ~~in all counties~~ in tax years 2004 and 2005; and (iii) the lesser of the amount of the general homestead exemption under Section 15-175 or an amount equal to the increase in the equalized assessed value for the current tax year above the equalized assessed value for 1977 in tax year 2006 and thereafter.

(3) "Base homestead value".

(A) Except as provided in subdivision (b)(3)(A-5) or (b)(3)(B), "base homestead value" means the equalized assessed value of the property for the base year prior to exemptions, minus (i) $4,500 ~~in Cook County or $3,500 in all other counties~~ in tax year 2003, (ii) $5,000 ~~in all counties~~ in tax years 2004 and 2005, or (iii) the lesser of the amount of the general homestead exemption under Section 15-175 or an amount equal to the increase in the equalized assessed value for the current tax year above the equalized assessed value for 1977 in tax year 2006 and thereafter, provided that it was assessed for that year as residential property qualified for any of the homestead exemptions under Sections 15-170 through 15-175 of this Code, then in force, and further provided that the property's assessment was not based on a reduced assessed value resulting from a temporary irregularity in the property for that year. Except as provided in subdivision (b)(3)(B), if the property did not have a residential equalized assessed value for the base year, then "base homestead value" means the base homestead value established by the assessor under subsection (c).

(A-5) On or before September 1, 2007, in Cook County, the base homestead value, as set forth under subdivision (b)(3)(A) and except as provided under subdivision (b) (3) (B), must be recalculated as the equalized assessed value of the property for the base year, prior to exemptions, minus:

(1) if the general assessment year for the property was 2003, the lesser of (i) $4,500 or (ii) the amount equal to the increase in equalized assessed value for the 2002 tax year above the equalized assessed value for 1977;

(2) if the general assessment year for the property was 2004, the lesser of (i) $4,500 or (ii) the amount equal to the increase in equalized assessed value for the 2003 tax year above the

equalized assessed value for 1977;

(3) if the general assessment year for the property was 2005, the lesser of (i) $5,000 or (ii) the amount equal to the increase in equalized assessed value for the 2004 tax year above the equalized assessed value for 1977.

(B) If the property is sold or ownership is otherwise transferred, other than sales or transfers between spouses or between a parent and a child, "base homestead value" means the equalized assessed value of the property at the time of the sale or transfer prior to exemptions, minus: (i) $4,500 ~~in Cook County or $3,500 in all other counties~~ in tax year 2003; (ii) $5,000 ~~in all counties~~ in tax years 2004 and 2005; and (iii) the lesser of the amount of the general homestead exemption under Section 15-175 or an amount equal to the increase in the equalized assessed value for the current tax year above the equalized assessed value for 1977 in tax year 2006 and thereafter, provided that it was assessed as residential property qualified for any of the homestead exemptions under Sections 15-170 through 15-175 of this Code, then in force, and further provided that the property's assessment was not based on a reduced assessed value resulting from a temporary irregularity in the property.

(3.5) "Base year" means (i) tax year 2002 ~~in Cook~~

~~County or (ii) tax year 2008 or 2009 in all other counties in accordance with the designation made by the county as provided in subsection (k)~~.

(4) "Current tax year" means the tax year for which the exemption under this Section is being applied.

(5) "Equalized assessed value" means the property's assessed value as equalized by the Department.

(6) "Homestead" or "homestead property" means:

(A) Residential property that as of January 1 of the tax year is occupied by its owner or owners as his, her, or their principal dwelling place, or that is a leasehold interest on which a single family residence is situated, that is occupied as a residence by a person who has a legal or equitable interest therein evidenced by a written instrument, as an owner or as a lessee, and on which the person is liable for the payment of property taxes. Residential units in an apartment building owned and operated as a cooperative, or as a life care facility, which are occupied by persons who hold a legal or equitable interest in the cooperative apartment building or life care facility as owners or lessees, and who are liable by contract for the payment of property taxes, shall be included within this definition of homestead property.

(B) A homestead includes the dwelling place, appurtenant structures, and so much of the surrounding land constituting the parcel on which the dwelling place is situated as is used for residential purposes. If the assessor has established a specific legal description for a portion of property constituting the homestead, then the homestead shall be limited to the property within that description.

(7) "Life care facility" means a facility as defined in Section 2 of the Life Care Facilities Act.

(c) If the property did not have a residential equalized assessed value for the base year as provided in subdivision (b)(3)(A) of this Section, then the assessor shall first determine an initial value for the property by comparison with assessed values for the base year of other properties having physical and economic characteristics similar to those of the subject property, so that the initial value is uniform in relation to assessed values of those other properties for the base year. The product of the initial value multiplied by the equalized factor for the base year for homestead properties in that county, less: (i) $4,500 ~~in Cook County or $3,500 in all other counties~~ in tax year 2003; (ii) $5,000 ~~in all counties~~ in tax years 2004 and 2005; and (iii) the lesser of the amount of the general homestead exemption under Section 15-175 or an amount equal to the increase in the equalized assessed value for the current tax year above the equalized assessed value for 1977 in tax year 2006 and thereafter, is the base homestead value.

For any tax year for which the assessor determines or adjusts an initial value and hence a base homestead value under this subsection (c), the initial value shall be subject to review by the same procedures applicable to assessed values established under this Code for that tax year.

(d) The base homestead value shall remain constant, except that the assessor may revise it under the following circumstances:

(1) If the equalized assessed value of a homestead property for the current tax year is less than the previous base homestead value for that property, then the current equalized assessed value (provided it is not based on a reduced assessed value resulting from a temporary irregularity in the property) shall become the base homestead value in subsequent tax years.

(2) For any year in which new buildings, structures, or other improvements are constructed on the homestead property that would increase its assessed value, the assessor shall adjust the base homestead value as provided in subsection (c) of this Section with due regard to the value added by the new improvements.

(3) If the property is sold or ownership is otherwise transferred, the base homestead value of the property shall be adjusted as provided in subdivision (b)(3)(B). This item (3) does not apply to sales or transfers between spouses or between a parent and a child.

(4) the recalculation required in Cook County under subdivision (b)(3)(A-5).

(e) The amount of the exemption under this Section is the equalized assessed value of the homestead property for the current tax year, minus the adjusted homestead value, with the following exceptions:

(1) The ~~In Cook County, the~~ exemption under this Section shall not exceed $20,000 for any taxable year through tax year:

(i) 2005, if the general assessment year for the property is 2003;

(ii) 2006, if the general assessment year for the property is 2004; or

(iii) 2007, if the general assessment year for the property is 2005.

(1.1) Thereafter, ~~in Cook County, and in all other counties,~~ the exemption is as follows:

(i) if the general assessment year for the property is 2006, then the exemption may not exceed: $33,000 for taxable year 2006; $26,000 for taxable year 2007; $20,000 for taxable years 2008 and 2009; $16,000 for taxable year 2010; and $12,000 for taxable year 2011;

(ii) if the general assessment year for the property is 2007, then the exemption may not exceed: $33,000 for taxable year 2007; $26,000 for taxable year 2008; $20,000 for taxable years 2009 and 2010; $16,000 for taxable year 2011; and $12,000 for taxable year 2012; and

(iii) if the general assessment year for the property is 2008, then the exemption may not exceed: $33,000 for taxable year 2008; $26,000 for taxable year 2009; $20,000 for taxable years 2010 and 2011; $16,000 for taxable year 2012; and $12,000 for taxable year 2013.

(1.5) For ~~In Cook County, for~~ the 2006 taxable year only, the maximum amount of the exemption set forth under subsection (e)(1.1)(i) of this Section may be increased: (i) by $7,000 if the equalized assessed value of the property in that taxable year exceeds the equalized assessed value of that property in 2002 by 100% or more; or (ii) by $2,000 if the equalized assessed value of the property in that taxable year exceeds the equalized assessed value of that property in 2002 by more than 80% but less than 100%.

(2) In the case of homestead property that also qualifies for the exemption under Section 15-172, the property is entitled to the exemption under this Section, limited to the amount of (i) $4,500 ~~in Cook County or $3,500 in all other counties~~ in tax year 2003, (ii) $5,000 ~~in all counties~~ in tax years 2004 and 2005, or (iii) the lesser of the amount of the general homestead exemption under Section 15-175 or an amount equal to the increase in the equalized assessed value for the current tax year above

the equalized assessed value for 1977 in tax year 2006 and thereafter.

(f) In the case of an apartment building owned and operated as a cooperative, or as a life care facility, that contains residential units that qualify as homestead property under this Section, the maximum cumulative exemption amount attributed to the entire building or facility shall not exceed the sum of the exemptions calculated for each qualified residential unit. The cooperative association, management firm, or other person or entity that manages or controls the cooperative apartment building or life care facility shall credit the exemption attributable to each residential unit only to the apportioned tax liability of the owner or other person responsible for payment of taxes as to that unit. Any person who willfully refuses to so credit the exemption is guilty of a Class B misdemeanor.

(g) When married persons maintain separate residences, the exemption provided under this Section shall be claimed by only one such person and for only one residence.

(h) In the event of a sale or other transfer in ownership of the homestead property, the exemption under this Section shall remain in effect for the remainder of the tax year and be calculated using the same base homestead value in which the sale or transfer occurs, but (other than for sales or transfers between spouses or between a parent and a child) shall be calculated for any subsequent tax year using the new base homestead value as provided in subdivision (b)(3)(B). The assessor may require the new owner of the property to apply for the exemption in the following year.

(i) The assessor may determine whether property qualifies as a homestead under this Section by application, visual inspection, questionnaire, or other reasonable methods. Each year, at the time the assessment books are certified to the county clerk by the board of review, the assessor shall furnish to the county clerk a list of the properties qualified for the homestead exemption under this Section. The list shall note the base homestead value of each property to be used in the calculation of the exemption for the current tax year.

(j) In counties with 3,000,000 or more inhabitants, the provisions of this Section apply as follows:

(1) If the general assessment year for the property is 2003, this Section applies for assessment years 2003 through 2011. Thereafter, the provisions of Section 15-175 apply.

(2) If the general assessment year for the property is 2004, this Section applies for assessment years 2004 through 2012. Thereafter, the provisions of Section 15-175 apply.

(3) If the general assessment year for the property is 2005, this Section applies for assessment years 2005 through 2013. Thereafter, the provisions of Section 15-175 apply.

~~In counties with less than 3,000,000 inhabitants, this Section applies for assessment years (i) 2009, 2010, 2011, and 2012 if tax year 2008 is the designated base year or (ii) 2010, 2011, 2012, and 2013 if tax year 2009 is the designated base year. Thereafter, the provisions of Section 15-175 apply.~~

(k) To be subject to the provisions of this Section in lieu of Section 15-175, a county must adopt an ordinance to subject itself to the provisions of this Section within 6 months after August 2, 2010 (the effective date of Public Act 96-1418). ~~In a county other than Cook County, the ordinance must designate either tax year 2008 or tax year 2009 as the base year.~~

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

(Source: P.A. 100-201, eff. 8-18-17.)

(35 ILCS 200/15-177)

Sec. 15-177. The long-time occupant homestead exemption.

(a) If the county has elected, under Section 15-176, to be subject to the provisions of the alternative general homestead exemption, then, for taxable years 2007 and thereafter, regardless of whether the exemption under Section 15-176 applies, qualified homestead property is entitled to an annual homestead exemption equal to a reduction in the property's equalized assessed value calculated as provided in this Section.

(b) As used in this Section:

"Adjusted homestead value" means the lesser of the following values:

(1) The property's base homestead value increased by: (i) 10% for each taxable year after the base year through and including the current tax year for qualified taxpayers with a household income of more than $75,000 but not exceeding $100,000; or (ii) 7% for each taxable year after the base year through and including the current tax year for qualified taxpayers with a household income of $75,000 or less. The increase each year is an increase over the prior year; or

(2) The property's equalized assessed value for the current tax year minus the general homestead deduction.

"Base homestead value" means:

(1) if the property did not have an adjusted homestead value under Section 15-176 for the base year, then an amount equal to the equalized assessed value of the property for the base year prior to exemptions, minus the general homestead deduction, provided that the property's assessment was not based on a reduced assessed value resulting from a temporary irregularity in the property for that year; or

(2) if the property had an adjusted homestead value under Section 15-176 for the base year, then an amount equal to the adjusted homestead value of the property under

Section 15-176 for the base year.

"Base year" means the taxable year prior to the taxable year in which the taxpayer first qualifies for the exemption under this Section.

"Current taxable year" means the taxable year for which the exemption under this Section is being applied.

"Equalized assessed value" means the property's assessed value as equalized by the Department.

"Homestead" or "homestead property" means residential property that as of January 1 of the tax year is occupied by a qualified taxpayer as his or her principal dwelling place, or that is a leasehold interest on which a single family residence is situated, that is occupied as a residence by a qualified taxpayer who has a legal or equitable interest therein evidenced by a written instrument, as an owner or as a lessee, and on which the person is liable for the payment of property taxes. Residential units in an apartment building owned and operated as a cooperative, or as a life care facility, which are occupied by persons who hold a legal or equitable interest in the cooperative apartment building or life care facility as owners or lessees, and who are liable by contract for the payment of property taxes, are included within this definition of homestead property. A homestead includes the dwelling place, appurtenant structures, and so much of the surrounding land constituting the parcel on which the dwelling place is situated as is used for residential purposes. If the assessor has established a specific legal description for a portion of property constituting the homestead, then the homestead is limited to the property within that description.

"Household income" has the meaning set forth under Section 15-172 of this Code.

"General homestead deduction" means the amount of the general homestead exemption under Section 15-175.

"Life care facility" means a facility defined in Section 2 of the Life Care Facilities Act.

"Qualified homestead property" means homestead property owned by a qualified taxpayer.

"Qualified taxpayer" means any individual:

(1) who, for at least 10 continuous years as of January 1 of the taxable year, has occupied the same homestead property as a principal residence and domicile or who, for at least 5 continuous years as of January 1 of the taxable year, has occupied the same homestead property as a principal residence and domicile if that person received assistance in the acquisition of the property as part of a government or nonprofit housing program; and

(2) who has a household income of $100,000 or less.

(c) The base homestead value must remain constant, except that the assessor may revise it under any of the following circumstances:

(1) If the equalized assessed value of a homestead property for the current tax year is less than the previous

base homestead value for that property, then the current equalized assessed value (provided it is not based on a reduced assessed value resulting from a temporary irregularity in the property) becomes the base homestead value in subsequent tax years.

(2) For any year in which new buildings, structures, or other improvements are constructed on the homestead property that would increase its assessed value, the assessor shall adjust the base homestead value with due regard to the value added by the new improvements.

(d) The amount of the exemption under this Section is the greater of: (i) the equalized assessed value of the homestead property for the current tax year minus the adjusted homestead value; or (ii) the general homestead deduction.

(e) In the case of an apartment building owned and operated as a cooperative, or as a life care facility, that contains residential units that qualify as homestead property of a qualified taxpayer under this Section, the maximum cumulative exemption amount attributed to the entire building or facility shall not exceed the sum of the exemptions calculated for each unit that is a qualified homestead property. The cooperative association, management firm, or other person or entity that manages or controls the cooperative apartment building or life care facility shall credit the exemption attributable to each residential unit only to the apportioned tax liability of the qualified taxpayer as to that unit. Any person who willfully refuses to so credit the exemption is guilty of a Class B misdemeanor.

(f) When married persons maintain separate residences, the exemption provided under this Section may be claimed by only one such person and for only one residence. No person who receives an exemption under Section 15-172 of this Code may receive an exemption under this Section. No person who receives an exemption under this Section may receive an exemption under Section 15-175 or 15-176 of this Code.

(g) In the event of a sale or other transfer in ownership of the homestead property between spouses or between a parent and a child, the exemption under this Section remains in effect if the new owner has a household income of $100,000 or less.

(h) In the event of a sale or other transfer in ownership of the homestead property other than subsection (g) of this Section, the exemption under this Section shall remain in effect for the remainder of the tax year and be calculated using the same base homestead value in which the sale or transfer occurs.

(i) To receive the exemption, a person must submit an application to the county assessor during the period specified by the county assessor.

The county assessor shall annually give notice of the application period by mail or by publication.

The taxpayer must submit, with the application, an affidavit of the taxpayer's total household income, marital status (and if married the name and address of the applicant's spouse, if known), and principal dwelling place of members of the household on January 1 of the taxable year. The Department shall establish, by rule, a method for verifying the accuracy of affidavits filed by applicants under this Section, and the Chief County Assessment Officer may conduct audits of any taxpayer claiming an exemption under this Section to verify that the taxpayer is eligible to receive the exemption. Each application shall contain or be verified by a written declaration that it is made under the penalties of perjury. A taxpayer's signing a fraudulent application under this Act is perjury, as defined in Section 32-2 of the Criminal Code of 2012. The applications shall be clearly marked as applications for the Long-time Occupant Homestead Exemption and must contain a notice that any taxpayer who receives the exemption is subject to an audit by the assessor ~~Chief County Assessment Officer~~.

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

(Source: P.A. 97-1150, eff. 1-25-13.)

(35 ILCS 200/15-180)

Sec. 15-180. Homestead improvements. Homestead properties that have been improved and residential structures on homestead property that have been rebuilt following a catastrophic event are entitled to a homestead improvement exemption, limited to $30,000 per year through December 31, 1997, $45,000 beginning January 1, 1998 and through December 31, 2003, and $75,000 per year for that homestead property beginning January 1, 2004 and thereafter, in fair cash value, when that property is owned and used exclusively for a residential purpose and upon demonstration that a proposed increase in assessed value is attributable solely to a new improvement of an existing structure or the rebuilding of a residential structure following a catastrophic event. To be eligible for an exemption under this Section after a catastrophic event, the residential structure must be rebuilt within 2 years after the catastrophic event. The exemption for rebuilt structures under this Section applies to the increase in value of the rebuilt structure over the value of the structure before the catastrophic event. The amount of the exemption shall be limited to the fair cash value added by the new improvement or rebuilding and shall continue for 4 years from the date the improvement or rebuilding is completed and occupied, or until the next following general assessment of that property, whichever is later.

A proclamation of disaster by the President of the United States or Governor of the State of Illinois is not a prerequisite to the classification of an occurrence as a catastrophic event under this Section. A "catastrophic event" may include an occurrence of widespread or severe damage or loss of property resulting from any catastrophic cause including but not limited to fire, including arson (provided the fire was not caused by the willful action of an owner or resident of the property), flood, earthquake, wind, storm, explosion, or extended periods of severe inclement weather. In the case of a residential structure affected by flooding, the structure shall not be eligible for this homestead improvement exemption unless it is located within a local jurisdiction which is participating in the National Flood Insurance Program.

~~In counties of less than 3,000,000 inhabitants, in addition to the notice requirement under Section 12-30, a supervisor of assessments, county assessor, or township or multi-township assessor responsible for adding an assessable improvement to a residential property's assessment shall either notify a taxpayer whose assessment has been changed since the last preceding assessment that he or she may be eligible for the exemption provided under this Section or shall grant the exemption automatically.~~

Beginning January 1, 1999, ~~in counties of 3,000,000 or more inhabitants,~~ an application for a homestead improvement exemption for a residential structure that has been rebuilt following a catastrophic event must be submitted to the assessor ~~Chief County Assessment Officer~~ with a valuation complaint and a copy of the building permit to rebuild the structure. The assessor ~~Chief County Assessment Officer~~ may require additional documentation which must be provided by the applicant.

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

(Source: P.A. 93-715, eff. 7-12-04.)

(35 ILCS 200/Art. 15 Div. 3 heading new)

Division 3. Homestead exemptions in counties with fewer than 3,000,000 inhabitants

(35 ILCS 200/15-261 new)

Sec. 15-261. Applicability. This Division 3 applies in counties with fewer than 3,000,000 inhabitants and encompasses this Section and Sections in Article 15 occurring after this Section.

(35 ILCS 200/15-262 new)

Sec. 15-262. Homestead Exemptions; Definitions.

(a) "Homestead property" under this Section includes:

(1) Property that is occupied as a principal dwelling place by its owner or owners who are liable for the payment of property taxes; or

(2) A leasehold interest in property on which a detached single-family residence is situated, which is occupied as a principal dwelling place by a person or persons who has an ownership interest therein, legal or equitable or as a lessee, and on which the person or

persons is liable for the payment of property taxes; or

(3) A unit in an apartment building owned and operated as a cooperative, occupied as a principal dwelling place by a person or persons who is liable, by contract with the owner or owners of record, for paying property taxes on the property and is an owner of record of a legal or equitable interest in the cooperative apartment building, other than a leasehold interest; or

(4) A unit within a building which is a life care facility operated as a cooperative, occupied by a person or persons who is liable, by contract with the owner or owners of record, for paying property taxes on the property and is an owner of record of a legal or equitable interest in the cooperative apartment building, other than a leasehold interest.

(b) "Homestead owner" under this Section includes:

(1) The person or persons who own and occupy residential property as a principal dwelling place by its owner or owners who are liable for the payment of property taxes as of January 1 of a taxable year; or

(2) The person or persons who possess a leasehold interest in property on which a detached single-family residence is situated, and occupy said detached single-family residence as a principal dwelling place, have an ownership interest therein, legal or equitable or as a lessee, and on which the person or persons are liable

for the payment of property taxes.

(3) The person or persons who are liable, by contract with the owner or owners of record, for paying property taxes on a unit in an apartment building owned and operated as a cooperative, occupy the unit as a principal dwelling place, and are an owner or owners of record of a legal or equitable interest in the cooperative apartment building, other than a leasehold interest.

(4) The person or persons who are liable, by contract with the owner or owners of record, for paying property taxes on a unit within a building which is a life care facility, occupy the unit as a principal dwelling place, and are an owner or owners of record of a legal or equitable interest in the cooperative apartment building, other than a leasehold interest.

(c) "Life care facility" means as defined under Section 2 of the Life Care Facilities Act with which the homestead owner has a life care contract as defined in that Act.

(d) "State-licensed care facility" means a facility licensed under the Assisted Living and Shared Housing Act, the Nursing Home Care Act, the Specialized Mental Health Rehabilitation Act of 2013, the ID/DD Community Care Act, or the MC/DD Act.

(e) "Veterans care facility" means a facility operated by the United States Department of Veterans Affairs.

(f) "Assessed Value" means the value of the property after equalization by a chief county assessment officer or board of review, but before equalization by the Department.

(g) "Equalized Assessed Value" means the value of the property after equalization by the Department.

(35 ILCS 200/15-263 new)

Sec. 15-263. Homestead Exemptions; General Provisions.

(a) Unless otherwise provided, an initial application for any homestead exemption must be made to the Chief County Assessment Officer during the application period in effect for the county of his or her residence. The Chief County Assessment Officer may determine the eligibility of residential property to receive the homestead exemption provided by this Section by application, visual inspection, questionnaire, or other reasonable methods. The determination must be made in accordance with guidelines established by the Department.

(b) Unless otherwise provided, a county board may by resolution provide that if a person has been granted a homestead exemption, the person qualifying need not reapply for the exemption.

(c) If the Chief County Assessment Officer requires annual application for verification of eligibility for an exemption once granted under this Section, the application shall be mailed to the taxpayer.

(d) If a homestead exemption is granted to a property that is operated as a cooperative or as a life care facility operated as a cooperative, the cooperative association or management firm shall credit the savings resulting from the exemption to the apportioned tax liability of the homestead owner. The Chief County Assessment Officer may request reasonable proof that the association or firm has properly credited the exemption. A person who willfully refuses to credit an exemption to the qualified person is guilty of a Class B misdemeanor.

(e) The Chief County Assessment Officer shall provide to each person granted a homestead exemption under Sections 15-268, 15-269, 15-270, and 15-272 a form to designate any other person to receive a duplicate of any notice of delinquency in the payment of taxes assessed and levied under this Code on the person's qualifying property. The duplicate notice shall be in addition to the notice required to be provided to the person receiving the exemption and shall be given in the manner required by this Code. The person filing the request for the duplicate notice shall pay an administrative fee of $5 to the Chief County Assessment Officer. The Chief County Assessment Officer shall then file the executed designation with the county collector, who shall issue the duplicate notices as indicated by the designation. A designation may be rescinded by the person in the manner required by the Chief County Assessment Officer.

(f) The Chief County Assessment Officer may, when considering whether to grant an exemption based on a homestead owner's eligibility pursuant to Section 15-262(b)(2), require the following conditions to be met:

(1) that a notarized application for the exemption, signed by both the owner and the lessee of the property, must be submitted each year during the application period in effect for the county in which the property is located;

(2) that a copy of the lease must be filed with the Chief County Assessment Officer by the owner of the property at the time the notarized application is submitted;

(3) that the lease must expressly state that the lessee is liable for the payment of property taxes; and

(4) that the lease must include the following language in substantially the following form: "Lessee shall be liable for the payment of real estate taxes with respect to the residence in accordance with the terms and conditions of Section 15-262(b)(2) of the Property Tax Code (35 ILCS 200/15-262(b)(2)). The permanent real estate index number for the premises is (insert number), and, according to the most recent property tax bill, the current amount of real estate taxes associated with the premises is (insert amount) per year. The parties agree that the monthly rent set forth above shall be increased or decreased pro rata (effective January 1 of each calendar year) to reflect any increase or decrease in real estate taxes. Lessee shall be deemed to be satisfying Lessee's liability for the above

mentioned real estate taxes with the monthly rent payments as set forth above (or increased or decreased as set forth herein).".

In addition, if there is a change in lessee, or if the lessee vacates the property, then the Chief County Assessment Officer may require the owner of the property to notify the Chief County Assessment Officer of that change. This subsection (f) does not apply to leasehold interests in property owned by a municipality.

(g) When a homestead exemption has been granted under this Section and the person qualifying subsequently becomes a resident of a State-licensed care facility or veterans care facility, the exemption shall continue so long as the residence continues to be occupied by the qualifying person's spouse, or if the residence remains unoccupied but is still owned by the person qualified for the homestead exemption.

(h) Any taxpayer whose application for a homestead exemption is denied by the Chief County Assessment Officer may appeal that denial to the county Board of Review. The decision of the Board of Review shall be final.

(i) Notwithstanding any other provision, if a property transfers or otherwise ceases to be homestead property after the first date of eligibility within a taxable year, the exemption shall remain with the property until the end of that taxable year.

(j) Notwithstanding Sections 6 and 8 of the State Mandates

Act, no reimbursement by the State is required for the implementation of any mandate created by homestead exemptions under this Division.

(35 ILCS 200/15-265 new)

Sec. 15-265. Veterans with disabilities adapted housing homestead exemption.

(a) Definitions. In addition to the definitions found in Section 15-262:

"Veteran with a disability" means a person who has served in the Armed Forces of the United States and whose disability is of such a nature that the federal government has authorized payment for purchase or construction of specially adapted housing as set forth in the United States Code, Title 38, Chapter 21, Section 2101.

"Unmarried surviving spouse" means the surviving spouse of the veteran at any time after the death of the veteran during which such surviving spouse is not married.

"Charitable organization" means any benevolent, philanthropic, patriotic, or eleemosynary entity that solicits and collects funds for charitable purposes and includes each local, county, or area division of that charitable organization.

(b) Eligibility. The homestead property must be occupied by a homestead owner who is a veteran with a disability, or the spouse or unmarried surviving spouse of the veteran.

The exemption applies to housing where federal funds have been used to purchase or construct special adaptations to suit the veteran's disability.

The exemption also applies to housing that is specially adapted to suit the veteran's disability, and purchased entirely or in part by the proceeds of a sale, casualty loss reimbursement, or other transfer of a home for which the federal government had previously authorized payment for purchase or construction as specially adapted housing.

However, the entire proceeds of the sale, casualty loss reimbursement, or other transfer of that housing shall be applied to the acquisition of subsequent specially adapted housing to the extent that the proceeds equal the purchase price of the subsequently acquired housing.

The exemption also applies to housing that is specifically constructed or adapted to suit a qualifying veteran's disability if the housing or adaptations are donated by a charitable organization, the veteran has been approved to receive funds for the purchase or construction of specially adapted housing under Title 38, Chapter 21, Section 2101 of the United States Code, and the home has been inspected and certified by a licensed home inspector to be in compliance with applicable standards set forth in U.S. Department of Veterans Affairs, Veterans Benefits Administration Pamphlet 26-13, Handbook for Design: Specially Adapted Housing.

(c) Amount. Eligible homestead property up to an equalized assessed value of $100,000 is exempt.

(d) Additional provisions. This exemption must be reestablished on an annual basis by certification from the Illinois Department of Veterans' Affairs to the Department, which shall forward a copy of the certification to local assessing officials.

A taxpayer who claims an exemption under Section 15-268 or 15-269 may not claim an exemption under this Section.

(35 ILCS 200/15-267 new)

Sec. 15-267. Returning Veterans' Homestead Exemption.

(a) Definitions. In addition to the definitions found in Section 15-262, "veteran" means an Illinois resident who has served as a member of the United States Armed Forces, a member of the Illinois National Guard, or a member of the United States Reserve Forces.

(b) Eligibility. The homestead property must be occupied by a homestead owner who is a veteran returning from an armed conflict involving the armed forces of the United States.

(c) Amount. The reduction is $5,000 in equalized assessed value for the taxable year in which the veteran returns from active duty in an armed conflict involving the armed forces of the United States; however, if the veteran first acquires his or her principal residence during the taxable year in which he or she returns, but after January 1 of that year, and if the property is owned and occupied by the veteran as a principal residence on January 1 of the next taxable year, he or she may apply the exemption for the next taxable year, and only the next taxable year, after he or she returns. The reduction shall also be allowed for the taxable year after the taxable year in which the veteran returns from active duty in an armed conflict involving the armed forces of the United States. For land improved with an apartment building owned and operated as a cooperative, the maximum reduction from the value of the property, as equalized by the Department, must be multiplied by the number of apartments or units occupied by a veteran returning from an armed conflict involving the armed forces of the United States who is liable, by contract with the owner or owners of record, for paying property taxes on the property and is an owner of record of a legal or equitable interest in the cooperative apartment building, other than a leasehold interest.

(d) Additional Provisions. The exemption under this Section is in addition to any other homestead exemption provided in this Article 15.

(35 ILCS 200/15-268 new)

Sec. 15-268. Homestead Exemption for persons with disabilities.

(a) Definitions. In addition to the definitions found in Section 15-262, "person with a disability" means a person unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment which can be expected to result in death or has lasted or can be expected to last for a continuous period of not less than 12 months.

(b) Eligibility. An annual homestead exemption is granted to homestead property occupied by a homestead owner who is also a person with a disability. A person who has a disability during the taxable year is eligible to receive this homestead exemption during that taxable year.

(c) Amount. The annual exemption amount is $2,000 in equalized assessed value, to be deducted from the property's value as equalized or assessed by the Department; except that for land improved with (i) an apartment building owned and operated as a cooperative or (ii) a life care facility that is considered to be a cooperative, the maximum reduction from the value of the property, as equalized or assessed by the Department, shall be multiplied by the number of apartments or units occupied by a disabled person.

(d) Additional provisions.

(1) A person with a disability filing claims under this Act shall submit proof of disability in such form and manner as the Department shall by rule and regulation prescribe. Any one or more of the following shall constitute proof of disability for purposes of this Act:

(A) Proof that a claimant is eligible to receive disability benefits under the federal Social Security

Act; or

(B) Issuance of an Illinois Person with a Disability Identification Card stating that the claimant is under a Class 2 or 2A disability, as defined in Section 4A of the Illinois Identification Card Act; or

(C) A person with a disability not covered under the federal Social Security Act and not presenting an Illinois Person with a Disability Identification Card stating that the claimant is under a Class 2 disability shall be examined by a physician licensed to practice in the State of Illinois, and his status as a person with a disability determined using the same standards as used by the Social Security Administration. The costs of any required examination shall be borne by the claimant.

(e) A taxpayer who claims an exemption under Section 15-265 or 15-269 may not claim an exemption under this Section.

(35 ILCS 200/15-269 new)

Sec. 15-269. Homestead exemption for veterans with disabilities.

(a) Definitions. In addition to the definitions found in Section 15-262:

"Qualified residence" means homestead property, but less any portion of that property that is used for commercial purposes, with an equalized assessed value of less than $250,000. Property rented for more than 6 months is presumed to be used for commercial purposes.

"Veteran" means an Illinois resident who has served as a member of the United States Armed Forces on active duty or State active duty, a member of the Illinois National Guard, or a member of the United States Reserve Forces and who has received an honorable discharge.

(b) Eligibility. An annual homestead exemption, limited to the amounts set forth in subsection (c), is granted for homestead property that is used as a qualified residence by a homestead owner who is a veteran with a disability.

(c) Amount. The amount of the exemption under this Section is as follows:

(1) if the veteran has a service-connected disability of 30% or more but less than 50%, as certified by the United States Department of Veterans Affairs, then the annual exemption is $2,500 of equalized assessed value;

(2) if the veteran has a service-connected disability of 50% or more but less than 70%, as certified by the United States Department of Veterans Affairs, then the annual exemption is $5,000 of equalized assessed value; and

(3) if the veteran has a service connected disability of 70% or more, as certified by the United States Department of Veterans Affairs, then the property is exempt from taxation under this Code.

(d) Additional provisions.

(1) The tax exemption under this Section carries over to the benefit of the veteran's surviving spouse as long as the spouse holds the legal or beneficial title to the homestead, permanently resides thereon, and does not remarry. If the surviving spouse sells the property, an exemption not to exceed the amount granted from the most recent ad valorem tax roll may be transferred to his or her new residence as long as it is used as his or her primary residence and he or she does not remarry.

(2) A taxpayer who claims an exemption under Section 15-265 or 15-268 may not claim an exemption under this Section.

(3) Each taxpayer who has been granted an exemption under this Section must reapply on an annual basis. Application must be made during the application period in effect for the county of his or her residence.

(35 ILCS 200/15-270 new)

Sec. 15-270. Senior Citizens Homestead Exemption.

(a) Definitions. The definitions found in Section 15-262 shall apply to this Section.

(b) Eligibility. An annual homestead exemption limited, except as described here with relation to cooperatives or life care facilities, to a maximum reduction set forth below from the property's value, as equalized or assessed by the

Department, is granted for homestead property that is occupied by a homestead owner who will be 65 years of age or older by December 31 of the taxable year.

(c) Amount.

(1) The maximum reduction is $5,000 of equalized assessed value.

(2) For land improved with an apartment building owned and operated as a cooperative, the maximum reduction from the value of the property, as equalized by the Department.

(3) Property that is first occupied as a residence after January 1 of any assessment year by a person who is eligible for the homestead exemption under this Section must be granted a pro-rata exemption for the assessment year. The amount of the pro-rata exemption is the exemption allowed in the county under this Section divided by 365 and multiplied by the number of days during the assessment year the property is occupied as a residence by a person eligible for the exemption under this Section. The Chief County Assessment Officer must adopt reasonable procedures to establish eligibility for this pro-rata exemption.

(d) Additional provisions. The Chief County Assessment Officer shall notify each person who qualifies for an exemption under this Section that the person may also qualify for deferral of real estate taxes under the Senior Citizens Real Estate Tax Deferral Act. The notice shall set forth the qualifications needed for deferral of real estate taxes, the address and telephone number of the county collector, and a statement that applications for deferral of real estate taxes may be obtained from the county collector.

(35 ILCS 200/15-272 new)

Sec. 15-272. Senior Citizens Assessment Freeze Homestead Exemption.

(a) Definitions. In addition to the definitions found in Section 15-262:

"Applicant" means an individual who has filed an application under this Section.

"Base amount" means the base year equalized assessed value of the residence plus the first year's equalized assessed value of any added improvements which increased the assessed value of the residence after the base year.

"Base year" means the taxable year prior to the taxable year for which the applicant first qualifies and applies for the exemption provided that in the prior taxable year the property was improved with a permanent structure that was occupied as a residence by the applicant who was liable for paying real property taxes on the property and who was either (i) an owner of record of the property or had legal or equitable interest in the property as evidenced by a written instrument or (ii) had a legal or equitable interest as a lessee in the parcel of property that was a single-family residence. If in any subsequent taxable year for which the applicant applies and qualifies for the exemption the equalized assessed value of the residence is less than the equalized assessed value in the existing base year (provided that such equalized assessed value is not based on an assessed value that results from a temporary irregularity in the property that reduces the assessed value for one or more taxable years), then that subsequent taxable year shall become the base year until a new base year is established under the terms of this paragraph. For taxable year 1999 only, the Chief County Assessment Officer shall review (i) all taxable years for which the applicant applied and qualified for the exemption and (ii) the existing base year. The assessment officer shall select as the new base year the year with the lowest equalized assessed value. An equalized assessed value that is based on an assessed value that results from a temporary irregularity in the property that reduces the assessed value for one or more taxable years shall not be considered the lowest equalized assessed value. The selected year shall be the base year for taxable year 1999 and thereafter until a new base year is established under the terms of this paragraph.

"Household" means the applicant, the spouse of the applicant, and all persons using the residence of the applicant as their principal place of residence.

"Household income" means the combined income of the members of a household for the calendar year preceding the taxable year.

"Income" has the same meaning as provided in Section 3.07 of the Senior Citizens and Persons with Disabilities Property Tax Relief Act, except that, beginning in assessment year 2001, "income" does not include veteran's benefits.

"Internal Revenue Code of 1986" means the United States Internal Revenue Code of 1986 or any successor law or laws relating to federal income taxes in effect for the year preceding the taxable year.

"Maximum income limitation" means $65,000.

"Residence" means the principal dwelling place and appurtenant structures used for residential purposes in this State occupied on January 1 of the taxable year by a household and so much of the surrounding land, constituting the parcel upon which the dwelling place is situated, as is used for residential purposes. If the Chief County Assessment Officer has established a specific legal description for a portion of property constituting the residence, then that portion of property shall be deemed the residence for the purposes of this Section.

"Taxable year" means the calendar year during which ad valorem property taxes payable in the next succeeding year are levied.

(b) Eligibility. A senior citizens assessment freeze homestead exemption is granted for homestead property that is occupied by a homestead owner who (i) is 65 years of age or older by December 31 of the taxable year, and (ii) has a household income that does not exceed the maximum income limitation.

(c) Amount.

(1) The amount of the exemption for all taxable years is the equalized assessed value of the residence in the taxable year for which application is made minus the base amount.

(2) When the applicant is a surviving spouse of an applicant for a prior year for the same residence for which an exemption under this Section has been granted, the base year and base amount for that residence are the same as for the applicant for the prior year.

(3) Each year at the time the assessment books are certified to the County Clerk, the Board of Review shall give to the County Clerk a list of the assessed values of improvements on each parcel qualifying for this exemption that were added after the base year for this parcel and that increased the assessed value of the property.

(4) In the case of land improved with an apartment building owned and operated as a cooperative or a building that is a life care facility that qualifies as a cooperative, the maximum reduction from the equalized assessed value of the property is limited to the sum of the

reductions calculated for each unit occupied as a residence by a person or persons (i) 65 years of age or older, (ii) with a household income that does not exceed the maximum income limitation, (iii) who is liable, by contract with the owner or owners of record, for paying real property taxes on the property, and (iv) who is an owner of record of a legal or equitable interest in the cooperative apartment building, other than a leasehold interest.

(d) Additional provisions.

(1) When an individual dies who would have qualified for an exemption under this Section, and the surviving spouse does not independently qualify for this exemption because of age, the exemption under this Section shall be granted to the surviving spouse for the taxable year preceding and the taxable year of the death, provided that, except for age, the surviving spouse meets all other qualifications for the granting of this exemption for those years.

(2) When married persons maintain separate residences, the exemption provided for in this Section may be claimed by only one of such persons and for only one residence.

(3) To receive the exemption, a person shall submit an application by July 1 of each taxable year to the Chief County Assessment Officer of the county in which the property is located.

(4) A county may, by ordinance, establish a date for

submission of applications that is different than July 1.

(5) The applicant shall submit with the application an affidavit of the applicant's total household income, age, marital status (and if married the name and address of the applicant's spouse, if known), and principal dwelling place of members of the household on January 1 of the taxable year.

(6) The Department shall establish, by rule, a method for verifying the accuracy of affidavits filed by applicants under this Section, and the Chief County Assessment Officer may conduct audits of any taxpayer claiming an exemption under this Section to verify that the taxpayer is eligible to receive the exemption.

(7) Each application shall contain or be verified by a notarized declaration that it is made under the penalties of perjury. A taxpayer's signing a fraudulent application under this Act is perjury, as defined in Section 32-2 of the Criminal Code of 2012.

(8) The applications shall be clearly marked as applications for the Senior Citizens Assessment Freeze Homestead Exemption and must contain a notice that any taxpayer who receives the exemption is subject to an audit by the Chief County Assessment Officer.

(9) Except as provided in this Section, all information received by the Chief County Assessment Officer or the Department from applications filed under this Section, or

from any investigation conducted under the provisions of this Section, shall be confidential, except for official purposes or pursuant to official procedures for collection of any State or local tax or enforcement of any civil or criminal penalty or sanction imposed by this Act or by any statute or ordinance imposing a State or local tax. Any person who divulges any such information in any manner, except in accordance with a proper judicial order, is guilty of a Class A misdemeanor.

Nothing contained in this Section shall prevent the Director or Chief County Assessment Officer from publishing or making available reasonable statistics concerning the operation of the exemption contained in this Section in which the contents of claims are grouped into aggregates in such a way that information contained in any individual claim shall not be disclosed.

(10) Each Chief County Assessment Officer shall annually publish a notice of availability of the exemption provided under this Section. The notice shall be published at least 60 days but no more than 75 days prior to the date on which the application must be submitted to the Chief County Assessment Officer of the county in which the property is located. The notice shall appear in a newspaper of general circulation in the county.

(35 ILCS 200/15-273 new)

Sec. 15-273. Natural Disaster Homestead Exemption.

(a) Definitions. In addition to the definitions found in Section 15-262:

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

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

"Natural disaster" means an occurrence of widespread or severe damage or loss of property resulting from any catastrophic cause, including, but not limited to, fire, flood, earthquake, wind, storm, or extended period of severe inclement weather. In the case of a residential structure affected by flooding, the structure shall not be eligible for this homestead improvement exemption unless it is located within a local jurisdiction which is participating in the National Flood Insurance Program. A proclamation of disaster by the President of the United States or Governor of the State of Illinois is not a prerequisite to the classification of an occurrence as a natural disaster under this Section.

(b) Eligibility. A homestead exemption shall be granted by the Chief County Assessment Officer for homestead properties containing a residential structure that has been rebuilt following a natural disaster occurring in taxable year 2012 or any taxable year thereafter.

To be eligible for an exemption under this Section: (i) the residential structure must be rebuilt within 2 years after the date of the natural disaster; and (ii) 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. The taxpayer's initial application for an exemption under this Section must be made no later than the first taxable year after the residential structure is rebuilt. The exemption shall continue at the same annual amount until the taxable year in which the property is sold or transferred.

(c) Amount. The amount of the exemption is the equalized assessed value of the residence in the first taxable year for which the taxpayer applies for an exemption under this Section minus the base amount.

(d) Additional provisions.

(1) To receive the exemption, the taxpayer shall submit an application to the Chief County Assessment Officer of the county in which the property is located by July 1 of each taxable year. A county may, by resolution, establish a date for submission of applications that is different than July 1. The applications shall be clearly marked as applications for the Natural Disaster Homestead Exemption.

(2) Property is not eligible for an exemption under this Section and Section 15-280 for the same natural disaster or catastrophic event. The property may, however, remain eligible for an additional exemption under Section

15-280 for any separate event occurring after the property qualified for an exemption under this Section.

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

(35 ILCS 200/15-275 new)

Sec. 15-275. General homestead exemption.

(a) Definitions. The definitions found in Section 15-262 are applicable to this Section.

(b) Eligibility. Homestead property occupied by a homestead owner is entitled to an annual homestead exemption limited, except as described here with relation to cooperatives, to a reduction in the equalized assessed value of homestead property equal to the increase in equalized assessed value for the current assessment year above the equalized assessed value of the property for 1977, up to the maximum reduction set forth below. If, however, the 1977 equalized assessed value upon which taxes were paid is subsequently determined by local assessing officials, the Property Tax Appeal Board, or a court to have been excessive, the equalized assessed value which should have been placed on the property for 1977 shall be used to determine the amount of the exemption.

(c) Amount.

(1) The maximum reduction is $6,000 of equalized assessed value.

(2) If, based on the most recent assessment, the equalized assessed value of the homestead property for the current assessment year is greater than the equalized assessed value of the property for 1977, the owner of the property shall automatically receive the exemption granted under this Section in an amount equal to the increase over the 1977 assessment up to the maximum reduction set forth in this Section.

(d) Additional provisions.

(1) If in any assessment year homestead property has a pro-rata valuation under Section 9-180 resulting in an increase in the assessed valuation, a reduction in equalized assessed valuation equal to the increase in equalized assessed value of the property for the year of the pro-rata valuation above the equalized assessed value of the property for 1977 shall be applied to the property on a proportionate basis for the period the property qualified as homestead property during the assessment year. The maximum proportionate homestead exemption shall not exceed the maximum homestead exemption allowed in the county under this Section divided by 365 and multiplied by the number of days the property qualified as homestead property.

(2) Where married persons maintain and reside in

separate residences qualifying as homestead property, each residence shall receive 50% of the total reduction in equalized assessed valuation provided by this Section.

(35 ILCS 200/15-280 new)

Sec. 15-280. Homestead improvement exemption.

(a) Definitions. In addition to the definitions found in Section 15-262, a "catastrophic event" may include an occurrence of widespread or severe damage or loss of property resulting from any catastrophic cause including but not limited to fire, including arson (provided the fire was not caused by the willful action of an owner or resident of the property), flood, earthquake, wind, storm, explosion, or extended periods of severe inclement weather. In the case of a residential structure affected by flooding, the structure shall not be eligible for this homestead improvement exemption unless it is located within a local jurisdiction which is participating in the National Flood Insurance Program. A proclamation of disaster by the President of the United States or Governor of the State of Illinois is not a prerequisite to the classification of an occurrence as a catastrophic event under this Section.

(b) Eligibility. Homestead properties that have been improved and residential structures on homestead property that have been rebuilt following a catastrophic event are entitled to a homestead improvement exemption, when that property is owned by a homestead owner and used exclusively for a residential purpose and upon demonstration that a proposed increase in assessed value is attributable solely to a new improvement of an existing structure or the rebuilding of a residential structure following a catastrophic event. To be eligible for an exemption under this Section after a catastrophic event, the residential structure must be rebuilt within 2 years after the catastrophic event. The exemption for rebuilt structures under this Section applies to the increase in value of the rebuilt structure over the value of the structure before the catastrophic event. The amount of the exemption shall be limited to the fair cash value added by the new improvement or rebuilding and shall continue for 4 years from the date the improvement or rebuilding is completed and occupied.

(c) Amount. The exemption is limited to $25,000 of equalized assessed value.

(d) Additional Provisions. In addition to the notice requirement under Section 12-30, a supervisor of assessments, county assessor, or township or multi-township assessor responsible for adding an assessable improvement to a residential property's assessment shall either notify a taxpayer whose assessment has been changed since the last preceding assessment that he or she may be eligible for the exemption provided under this Section or shall grant the exemption automatically.

Section 99. Effective date. This Act takes effect January 1, 2020.