



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB3017

Introduced 2/5/2020, by Sen. Robert F. Martwick

SYNOPSIS AS INTRODUCED:

65 ILCS 5/11-74.4-9

from Ch. 24, par. 11-74.4-9

Amends the Tax Increment Allocation Redevelopment Act of the Illinois Municipal Code. Provides that if a county clerk determines that any lot, block, tract, or parcel of real property within a redevelopment project area is not taxable or has an initial equalized assessed value of \$0, then the fair market value of the lot, block, tract, or parcel shall be instead determined by a written MAI-certified appraisal or by a written certified appraisal of a State-certified or State-licensed real estate appraiser. Provides that this reappraisal shall be the initial equalized assessed value of the lot, block, tract, or parcel and shall be added to the total initial equalized assessed value of the taxable real property within the redevelopment project area. Limits the provisions to tax increment allocation financing ordinances adopted after the effective date of the amendatory Act.

LRB101 19608 AWJ 69088 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning local government.

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

4 Section 5. The Illinois Municipal Code is amended by
5 changing Section 11-74.4-9 as follows:

6 (65 ILCS 5/11-74.4-9) (from Ch. 24, par. 11-74.4-9)

7 Sec. 11-74.4-9. Equalized assessed value of property.

8 (a) Except as provided in subsection (a-5), if ~~if~~ a
9 municipality by ordinance provides for tax increment
10 allocation financing pursuant to Section 11-74.4-8, the county
11 clerk immediately thereafter shall determine (1) the most
12 recently ascertained equalized assessed value of each lot,
13 block, tract or parcel of real property within such
14 redevelopment project area from which shall be deducted the
15 homestead exemptions under Article 15 of the Property Tax Code,
16 which value shall be the "initial equalized assessed value" of
17 each such piece of property, and (2) the total equalized
18 assessed value of all taxable real property within such
19 redevelopment project area by adding together the most recently
20 ascertained equalized assessed value of each taxable lot,
21 block, tract, or parcel of real property within such project
22 area, from which shall be deducted the homestead exemptions
23 provided by Sections 15-170, 15-175, and 15-176 of the Property

1 Tax Code, and shall certify such amount as the "total initial
2 equalized assessed value" of the taxable real property within
3 such project area.

4 (a-5) If the county clerk determines that any lot, block,
5 tract, or parcel of real property within a redevelopment
6 project area is not taxable or has an initial equalized
7 assessed value of \$0 as determined in subsection (a), then the
8 fair market value of the lot, block, tract, or parcel shall be
9 instead determined by a written MAI-certified appraisal or by a
10 written certified appraisal of a State-certified or
11 State-licensed real estate appraiser. The appraisal shall be
12 available for public inspection no later than 90 days after the
13 date that the ordinance for tax increment allocation financing
14 under Section 11-74.4-8 was adopted by the municipality. The
15 appraiser's conclusion of fair market value shall be converted
16 by the county clerk to an assessed value using the appropriate
17 level of assessment and then equalized by using the most recent
18 equalization factor. The county clerk shall use the resulting
19 figure as the initial equalized assessed value of the lot,
20 block, tract, or parcel and shall add this initial equalized
21 assessed value to the total initial equalized assessed value of
22 the taxable real property within the redevelopment project
23 area. For purposes of paragraphs (b) and (c), the lot, block,
24 tract, or parcel of real property shall be considered taxable
25 real property. This subsection applies only to ordinances
26 adopted on or after the effective date of this amendatory Act

1 of the 101st General Assembly.

2 (b) In reference to any municipality which has adopted tax
3 increment financing after January 1, 1978, and in respect to
4 which the county clerk has certified the "total initial
5 equalized assessed value" of the property in the redevelopment
6 area, the municipality may thereafter request the clerk in
7 writing to adjust the initial equalized value of all taxable
8 real property within the redevelopment project area by
9 deducting therefrom the exemptions under Article 15 of the
10 Property Tax Code applicable to each lot, block, tract or
11 parcel of real property within such redevelopment project area.
12 The county clerk shall immediately after the written request to
13 adjust the total initial equalized value is received determine
14 the total homestead exemptions in the redevelopment project
15 area provided by Sections 15-170, 15-175, and 15-176 of the
16 Property Tax Code by adding together the homestead exemptions
17 provided by said Sections on each lot, block, tract or parcel
18 of real property within such redevelopment project area and
19 then shall deduct the total of said exemptions from the total
20 initial equalized assessed value. The county clerk shall then
21 promptly certify such amount as the "total initial equalized
22 assessed value as adjusted" of the taxable real property within
23 such redevelopment project area.

24 (c) After the county clerk has certified the "total initial
25 equalized assessed value" of the taxable real property in such
26 area, then in respect to every taxing district containing a

1 redevelopment project area, the county clerk or any other
2 official required by law to ascertain the amount of the
3 equalized assessed value of all taxable property within such
4 district for the purpose of computing the rate per cent of tax
5 to be extended upon taxable property within such district,
6 shall in every year that tax increment allocation financing is
7 in effect ascertain the amount of value of taxable property in
8 a redevelopment project area by including in such amount the
9 lower of the current equalized assessed value or the certified
10 "total initial equalized assessed value" of all taxable real
11 property in such area, except that after he has certified the
12 "total initial equalized assessed value as adjusted" he shall
13 in the year of said certification if tax rates have not been
14 extended and in every year thereafter that tax increment
15 allocation financing is in effect ascertain the amount of value
16 of taxable property in a redevelopment project area by
17 including in such amount the lower of the current equalized
18 assessed value or the certified "total initial equalized
19 assessed value as adjusted" of all taxable real property in
20 such area. The rate per cent of tax determined shall be
21 extended to the current equalized assessed value of all
22 property in the redevelopment project area in the same manner
23 as the rate per cent of tax is extended to all other taxable
24 property in the taxing district. The method of extending taxes
25 established under this Section shall terminate when the
26 municipality adopts an ordinance dissolving the special tax

1 allocation fund for the redevelopment project area. This
2 Division shall not be construed as relieving property owners
3 within a redevelopment project area from paying a uniform rate
4 of taxes upon the current equalized assessed value of their
5 taxable property as provided in the Property Tax Code.

6 (Source: P.A. 95-644, eff. 10-12-07.)