



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB3018

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 (1) three or more improved lots, blocks, tracts, or parcels of real property within a single redevelopment project area are purchased by a developer or a developer's parent company or wholly-owned subsidiary, or any combination thereof, within the 3 years prior to the date that the ordinance providing for the tax increment allocation was adopted by the municipality, and (2) an improvement on any of the lots, blocks, tracts, or parcels of real property is demolished or otherwise rendered uninhabitable, then the initial equalized assessed value for the lot, block, tract or parcel of real property shall be the equalized assessed value of the lot, block, tract, or parcel of real property on the date it was purchased by the developer, the developer's parent company, or the developer's wholly-owned subsidiary or purchased by any combination thereof. Limits the provisions to ordinances adopted after the effective date of the amendatory Act.

LRB101 19612 AWJ 69092 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 (1) three or more improved lots, blocks, tracts,
5 or parcels of real property within a single redevelopment
6 project area are purchased by a developer or a developer's
7 parent company or wholly-owned subsidiary, or any combination
8 thereof, within the 3 years prior to the date that the
9 ordinance providing for the tax increment allocation financing
10 under Section 11-74.4-8 was adopted by the municipality, and
11 (2) an improvement on any of the lots, blocks, tracts, or
12 parcels of real property is demolished or otherwise rendered
13 uninhabitable, then the initial equalized assessed value for
14 the lot, block, tract or parcel of real property shall be the
15 equalized assessed value of the lot, block, tract, or parcel of
16 real property on the date it was purchased by the developer,
17 the developer's parent company, or the developer's
18 wholly-owned subsidiary or purchased by any combination
19 thereof. This Section applies only to ordinances adopted on or
20 after the effective date of this amendatory Act of the 101st
21 General Assembly.

22 (b) In reference to any municipality which has adopted tax
23 increment financing after January 1, 1978, and in respect to
24 which the county clerk has certified the "total initial
25 equalized assessed value" of the property in the redevelopment
26 area, the municipality may thereafter request the clerk in

1 writing to adjust the initial equalized value of all taxable
2 real property within the redevelopment project area by
3 deducting therefrom the exemptions under Article 15 of the
4 Property Tax Code applicable to each lot, block, tract or
5 parcel of real property within such redevelopment project area.
6 The county clerk shall immediately after the written request to
7 adjust the total initial equalized value is received determine
8 the total homestead exemptions in the redevelopment project
9 area provided by Sections 15-170, 15-175, and 15-176 of the
10 Property Tax Code by adding together the homestead exemptions
11 provided by said Sections on each lot, block, tract or parcel
12 of real property within such redevelopment project area and
13 then shall deduct the total of said exemptions from the total
14 initial equalized assessed value. The county clerk shall then
15 promptly certify such amount as the "total initial equalized
16 assessed value as adjusted" of the taxable real property within
17 such redevelopment project area.

18 (c) After the county clerk has certified the "total initial
19 equalized assessed value" of the taxable real property in such
20 area, then in respect to every taxing district containing a
21 redevelopment project area, the county clerk or any other
22 official required by law to ascertain the amount of the
23 equalized assessed value of all taxable property within such
24 district for the purpose of computing the rate per cent of tax
25 to be extended upon taxable property within such district,
26 shall in every year that tax increment allocation financing is

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

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