SYNOPSIS AS INTRODUCED:

Amends the Property Tax Code. In a Section granting a homestead exemption to veterans with disabilities, provides that property that is used as a qualified residence by a veteran who was a member of the United States Armed Forces during World War II is exempt from taxation regardless of the veteran's level of disability. Provides that a veteran who qualifies as a result of his or her service in World War II need not reapply for the exemption. Effective immediately.
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 changing Section 15-169 as follows:

(35 ILCS 200/15-169)
Sec. 15-169. Homestead exemption for veterans with disabilities and veterans of World War II.
(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; beginning in taxable year 2021, if the veteran was a member of the United States Armed Forces during World War II, then the property is exempt from taxation under this Code regardless of the veteran's level of disability.

(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, provided that a veteran who qualifies as a result of his or her service in World War II need not reapply. 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.

(e-5) Notwithstanding any other provision of law, each
chief county assessment officer may approve this exemption for
the 2020 taxable year, without application, for any property
that was approved for this exemption for the 2019 taxable
year, provided that:

(1) the county board has declared a local disaster as
provided in the Illinois Emergency Management Agency Act
related to the COVID-19 public health emergency;

(2) the owner of record of the property as of January
1, 2020 is the same as the owner of record of the property
as of January 1, 2019;

(3) the exemption for the 2019 taxable year has not
been determined to be an erroneous exemption as defined by
this Code; and
(4) the applicant for the 2019 taxable year has not asked for the exemption to be removed for the 2019 or 2020 taxable years.

Nothing in this subsection shall preclude a veteran whose service connected disability rating has changed since the 2019 exemption was granted from applying for the exemption based on the subsequent service connected disability rating.

(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. 100-869, eff. 8-14-18; 101-635, eff. 6-5-20.)

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