



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB5398

Introduced 1/31/2022, by Rep. Tony McCombie

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-169

Amends the Property Tax Code. In provisions concerning the homestead exemption for veterans with disabilities, provides that an otherwise qualified residence that is located upon 2 adjacent parcels in 2 different townships is entitled to the exemption. Provides that, upon election by the property owner, a portion of the maximum exemption amount shall be applied to each parcel according to each parcel's share of the total assessed value of the property. Effective immediately.

LRB102 22108 HLH 31236 b

1 AN ACT concerning revenue.

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

4 Section 5. The Property Tax Code is amended by changing
5 Section 15-169 as follows:

6 (35 ILCS 200/15-169)

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

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

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

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

21 (2) for veterans with a service-connected disability
22 of at least 50%, but less than (i) 75% for exemptions
23 granted in taxable years 2007 through 2009 and (ii) 70%

1 for exemptions granted in taxable year 2010 and each
2 taxable year thereafter, as certified by the United States
3 Department of Veterans Affairs, the annual exemption is
4 \$2,500.

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

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

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

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

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

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

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

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

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

1 Department.

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

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

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

16 (2) the owner of record of the property as of January
17 1, 2020 is the same as the owner of record of the property
18 as of January 1, 2019;

19 (3) the exemption for the 2019 taxable year has not
20 been determined to be an erroneous exemption as defined by
21 this Code; and

22 (4) the applicant for the 2019 taxable year has not
23 asked for the exemption to be removed for the 2019 or 2020
24 taxable years.

25 Nothing in this subsection shall preclude a veteran whose
26 service connected disability rating has changed since the 2019

1 exemption was granted from applying for the exemption based on
2 the subsequent service connected disability rating.

3 (e-10) Notwithstanding any other provision of law, each
4 chief county assessment officer may approve this exemption for
5 the 2021 taxable year, without application, for any property
6 that was approved for this exemption for the 2020 taxable
7 year, if:

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

11 (2) the owner of record of the property as of January
12 1, 2021 is the same as the owner of record of the property
13 as of January 1, 2020;

14 (3) the exemption for the 2020 taxable year has not
15 been determined to be an erroneous exemption as defined by
16 this Code; and

17 (4) the taxpayer for the 2020 taxable year has not
18 asked for the exemption to be removed for the 2020 or 2021
19 taxable years.

20 Nothing in this subsection shall preclude a veteran whose
21 service connected disability rating has changed since the 2020
22 exemption was granted from applying for the exemption based on
23 the subsequent service connected disability rating.

24 (f) For the purposes of this Section:

25 "Qualified residence" means real property, but less any
26 portion of that property that is used for commercial purposes,

1 with an equalized assessed value of less than \$250,000 that is
2 the primary residence of a veteran with a disability. Property
3 rented for more than 6 months is presumed to be used for
4 commercial purposes. For purposes of this Section, an
5 otherwise qualified residence that is located upon 2 adjacent
6 parcels in 2 different townships is entitled to an exemption
7 under this Section. If the qualified residence is located upon
8 2 adjacent parcels in 2 different townships, then the property
9 owner may elect, in the form and manner required by the chief
10 county assessment officer, to apply the exemption to both
11 parcels; if such an election is made, then a portion of the
12 maximum exemption amount shall be applied to each parcel
13 according to each parcel's share of the total assessed value
14 of the property.

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

20 (Source: P.A. 101-635, eff. 6-5-20; 102-136, eff. 7-23-21.)

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