Rep. Michelle Mussman

Filed: 3/8/2022

AMENDMENT TO SENATE BILL 1975

AMENDMENT NO. ______. Amend Senate Bill 1975 by replacing everything after the enacting clause with the following:

"Section 5. The Property Tax Code is amended by changing Sections 9-275, 15-10, 15-168, and 15-172 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 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 (low income 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, including the number of assessment years of automatic renewal remaining on a current senior citizens homestead exemption if such an exemption has been applied to the property; (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 or, in a county with 3,000,000 or more inhabitants, an application for renewal of a multi-year exemption pursuant to subsection (i) of Section 15-170, as the case may be. 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.

(m) Notwithstanding any other provision of law, for taxable years 2019 through 2023, in counties with 3,000,000 or more inhabitants, the chief county assessment officer shall, if he or she learns that a taxpayer who has been granted a senior citizens homestead exemption has died during the period to which the exemption applies, send a notice to the address on record for the owner of record of the property notifying the owner that the exemption will be terminated unless, within 90 days after the notice is sent, the chief county assessment officer is provided with a basis to continue the exemption. The notice shall be sent by first-class mail, in an envelope that bears on its front, in boldface red lettering that is at least one inch in size, the words "Notice of Exemption Termination"; however, if the taxpayer elects to receive the notice by email and provides an email address, then the notice shall be sent by email.

(Source: P.A. 101-453, eff. 8-23-19; 101-622, eff. 1-14-20.)

(35 ILCS 200/15-10)

Sec. 15-10. Exempt property; procedures for certification.

(a) All property granted an exemption by the Department pursuant to the requirements of Section 15-5 and described in the Sections following Section 15-30 and preceding Section 16-5, to the extent therein limited, is exempt from taxation. In order to maintain that exempt status, the titleholder or the owner of the beneficial interest of any property that is exempt must file with the chief county assessment officer, on or before January 31 of each year (May 31 in the case of property exempted by Section 15-170), an affidavit stating whether there has been any change in the ownership or use of the property, the status of the owner-resident, the satisfaction by a relevant hospital entity of the condition for an exemption under Section 15-86, or that a veteran with a disability who qualifies under Section 15-165 owned and used the property as of January 1 of that year. The nature of any change shall be stated in the affidavit. Failure to file an affidavit shall, in the discretion of the assessment officer, constitute cause to terminate the exemption of that property, notwithstanding any other provision of this Code. Owners of 5 or more such exempt parcels within a county may file a single annual affidavit in lieu of an affidavit for each parcel. The assessment officer, upon request, shall furnish an affidavit form to the owners, in which the owner may state whether there has been any change in the ownership or use of the property or status of the owner or resident as of January 1 of that year. The owner of 5 or more exempt parcels shall list all the properties giving the same information for each parcel as required of owners who file individual affidavits.

(b) However, titleholders or owners of the beneficial interest in any property exempted under any of the following provisions are not required to submit an annual filing under this Section:

(1) Section 15-45 (burial grounds) in counties of less than 3,000,000 inhabitants and owned by a not-for-profit organization.

(2) Section 15-40.

(3) Section 15-50 (United States property).

(c) If there is a change in use or ownership, however, notice must be filed pursuant to Section 15-20.

(d) An application for homestead exemptions shall be filed as provided in Section 15-170 (senior citizens homestead exemption), Section 15-172 (low income senior citizens assessment freeze homestead exemption), and Sections 15-175 (general homestead exemption), 15-176 (general alternative homestead exemption), and 15-177 (long-time occupant homestead exemption), respectively.

(e) For purposes of determining satisfaction of the condition for an exemption under Section 15-86:

(1) The "year for which exemption is sought" is the year prior to the year in which the affidavit is due.

(2) The "hospital year" is the fiscal year of the relevant hospital entity, or the fiscal year of one of the

hospitals in the hospital system if the relevant hospital entity is a hospital system with members with different fiscal years, that ends in the year prior to the year in which the affidavit is due. However, if that fiscal year ends 3 months or less before the date on which the affidavit is due, the relevant hospital entity shall file an interim affidavit based on the currently available information, and shall file a supplemental affidavit within 90 days of date on which the application was due, if the information in the relevant hospital entity's audited financial statements changes the interim affidavit's statement concerning the entity's compliance with the calculation required by Section 15-86.

(3) The affidavit shall be accompanied by an exhibit prepared by the relevant hospital entity showing (A) the value of the relevant hospital entity's services and activities, if any, under items (1) through (7) of subsection (e) of Section 15-86, stated separately for each item, and (B) the value relating to the relevant hospital entity's estimated property tax liability under paragraphs (A), (B), and (C) of item (1) of subsection (g) of Section 15-86; under paragraphs (A), (B), and (C) of item (2) of subsection (g) of Section 15-86; and under item (3) of subsection (g) of Section 15-86.

(Source: P.A. 99-143, eff. 7-27-15.)

(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, optometrist (if the person qualifies because of a visual disability), 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 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 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.

(d-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.

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

(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, 2021 is the same as the owner of record of the property as of January 1, 2020;

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

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

<u>(d-15) For taxable years 2022 through 2027, in any county of more than 3,000,000 residents, and in any other county where the county board has authorized such action by ordinance or resolution, a chief county assessment officer may renew this exemption for any person who applied for the exemption and presented proof of eligibility, as described in subsection (b) above, without an annual application as required under subsection (d) above. A chief county assessment officer shall not automatically renew an exemption under this subsection</u>

(d-7) if: the physician, advanced practice registered nurse, optometrist, or physician assistant who examined the claimant determined that the disability is not expected to continue for 12 months or more; the exemption has been deemed erroneous since the last application; or the claimant has reported their ineligibility to receive the exemption. A chief county assessment officer who automatically renews an exemption under this subsection shall notify a person of a subsequent determination not to automatically renew that person's exemption and shall provide that person with an application to renew the exemption.

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

(35 ILCS 200/15-172)

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

(a) This Section may be cited as the Low Income 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 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.

"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.

As an alternative income valuation, a homeowner who is enrolled in any of the following programs may be presumed to have household income that does not exceed the maximum income limitation for that tax year as required by this Section: Aid to the Aged, Blind or Disabled (AABD) Program or the Supplemental Nutrition Assistance Program (SNAP), both of which are administered by the Department of Human Services; or the Low Income Home Energy Assistance Program (LIHEAP), which is administered by the Department of Commerce and Economic

Opportunity.

A chief county assessment officer may indicate that he or she has verified an applicant's income eligibility for this exemption but may not report which program or programs, if any, enroll the applicant. Release of personal information submitted pursuant to this Section shall be deemed an unwarranted invasion of personal privacy under the Freedom of Information Act.

"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.

(c) Beginning in taxable year 1994, a low income 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.

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 Chief County Assessment Officer of the county in which the property is located during such period as may be specified by the Chief County Assessment Officer. The 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 Low Income 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.

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 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 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 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.

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.

(c-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 or impair the authority of a chief county assessment officer to conduct audits of any taxpayer claiming an exemption under this Section to verify that the taxpayer is eligible to receive the exemption as provided elsewhere in this Section.

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

(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, 2021 is the same as the owner of record of the property as of January 1, 2020;

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

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

Nothing in this subsection shall preclude or impair the authority of a chief county assessment officer to conduct audits of any taxpayer claiming an exemption under this Section to verify that the taxpayer is eligible to receive the exemption as provided elsewhere in this Section.

(d) 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.

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. 101-635, eff. 6-5-20; 102-136, eff. 7-23-21.)

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