

# HB2316



## 103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB2316

Introduced 2/14/2023, by Rep. Jay Hoffman

### SYNOPSIS AS INTRODUCED:

35 ILCS 200/9-45  
35 ILCS 200/11-15

Amends the Property Tax Code. Provides that property that is used for a petroleum refinery may be the subject of a real property tax assessment settlement agreement among the taxpayer and taxing districts in which the property is situated. Makes changes concerning the valuation of pollution control facilities. Effective immediately.

LRB103 26366 HLH 52728 b

A BILL FOR

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 Sections 9-45 and 11-15 as follows:

6 (35 ILCS 200/9-45)

7 Sec. 9-45. Property index number system. The county clerk  
8 in counties of 3,000,000 or more inhabitants and, subject to  
9 the approval of the county board, the chief county assessment  
10 officer or recorder, in counties of less than 3,000,000  
11 inhabitants, may establish a property index number system  
12 under which property may be listed for purposes of assessment,  
13 collection of taxes or automation of the office of the  
14 recorder. The system may be adopted in addition to, or instead  
15 of, the method of listing by legal description as provided in  
16 Section 9-40. The system shall describe property by township,  
17 section, block, and parcel or lot, and may cross-reference the  
18 street or post office address, if any, and street code number,  
19 if any. The county clerk, county treasurer, chief county  
20 assessment officer or recorder may establish and maintain  
21 cross indexes of numbers assigned under the system with the  
22 complete legal description of the properties to which the  
23 numbers relate. Index numbers shall be assigned by the county

1 clerk in counties of 3,000,000 or more inhabitants, and, at  
2 the direction of the county board in counties with less than  
3 3,000,000 inhabitants, shall be assigned by the chief county  
4 assessment officer or recorder. Tax maps of the county clerk,  
5 county treasurer or chief county assessment officer shall  
6 carry those numbers. The indexes shall be open to public  
7 inspection and be made available to the public. Any property  
8 index number system established prior to the effective date of  
9 this Code shall remain valid. However, in counties with less  
10 than 3,000,000 inhabitants, the system may be transferred to  
11 another authority upon the approval of the county board.

12 Any real property used for a power generating or  
13 automotive manufacturing facility located within a county of  
14 less than 1,000,000 inhabitants, as to which litigation with  
15 respect to its assessed valuation is pending or was pending as  
16 of January 1, 1993, may be the subject of a real property tax  
17 assessment settlement agreement among the taxpayer and taxing  
18 districts in which it is situated. In addition, any real  
19 property that is located in a county with fewer than 1,000,000  
20 inhabitants and (i) is used for natural gas extraction and  
21 fractionation or olefin and polymer manufacturing or (ii) is  
22 used for a petroleum refinery and (ii) located within a county  
23 ~~of less than 1,000,000 inhabitants~~ may be the subject of a real  
24 property tax assessment settlement agreement among the  
25 taxpayer and taxing districts in which the property is  
26 situated if litigation is or was pending as to its assessed

1 valuation as of January 1, 2003 or thereafter. Other  
2 appropriate authorities, which may include county and State  
3 boards or officials, may also be parties to such agreements.  
4 Such agreements may include the assessment of the facility or  
5 property for any years in dispute as well as for up to 10 years  
6 in the future. Such agreements may provide for the settlement  
7 of issues relating to the assessed value of the facility and  
8 may provide for related payments, refunds, claims, credits  
9 against taxes and liabilities in respect to past and future  
10 taxes of taxing districts, including any fund created under  
11 Section 20-35 of this Act, all implementing the settlement  
12 agreement. Any such agreement may provide that parties thereto  
13 agree not to challenge assessments as provided in the  
14 agreement. An agreement entered into on or after January 1,  
15 1993 may provide for the classification of property that is  
16 the subject of the agreement as real or personal during the  
17 term of the agreement and thereafter. It may also provide that  
18 taxing districts agree to reimburse the taxpayer for amounts  
19 paid by the taxpayer in respect to taxes for the real property  
20 which is the subject of the agreement to the extent levied by  
21 those respective districts, over and above amounts which would  
22 be due if the facility were to be assessed as provided in the  
23 agreement. Such reimbursement may be provided in the agreement  
24 to be made by credit against taxes of the taxpayer. No credits  
25 shall be applied against taxes levied with respect to debt  
26 service or lease payments of a taxing district. No referendum

1 approval or appropriation shall be required for such an  
2 agreement or such credits and any such obligation shall not  
3 constitute indebtedness of the taxing district for purposes of  
4 any statutory limitation. The county collector shall treat  
5 credited amounts as if they had been received by the collector  
6 as taxes paid by the taxpayer and as if remitted to the  
7 district. A county treasurer who is a party to such an  
8 agreement may agree to hold amounts paid in escrow as provided  
9 in the agreement for possible use for paying taxes until  
10 conditions of the agreement are met and then to apply these  
11 amounts as provided in the agreement. No such settlement  
12 agreement shall be effective unless it shall have been  
13 approved by the court in which such litigation is pending. Any  
14 such agreement which has been entered into prior to adoption  
15 of this amendatory Act of 1988 and which is contingent upon  
16 enactment of authorizing legislation shall be binding and  
17 enforceable.

18 (Source: P.A. 96-609, eff. 8-24-09.)

19 (35 ILCS 200/11-15)

20 Sec. 11-15. Method of valuation for pollution control  
21 facilities. To determine 33 1/3% of the fair cash value of any  
22 certified pollution control device ~~facilities in assessing~~  
23 ~~those facilities~~, the Department shall determine the ~~take into~~  
24 ~~consideration the actual or probable net earnings attributable~~  
25 ~~to the facilities in question, capitalized on the basis of~~

1 ~~their productive earning value to their owner; the probable~~  
2 net value that ~~which~~ could be realized by its ~~their~~ owner if  
3 the facilities were removed and sold at a fair, voluntary  
4 sale, giving due account to the expense of removal site  
5 restoration, and transportation. The property's net value  
6 shall be considered to be 33 1/3% of the fair cash value and  
7 ~~condition of the particular facilities in question; and other~~  
8 ~~information as the Department may consider as bearing on the~~  
9 ~~fair cash value of the facilities to their owner, consistent~~  
10 ~~with the principles set forth in this Section. For the~~  
11 ~~purposes of this Code, earnings shall be attributed to a~~  
12 ~~pollution control facility only to the extent that its~~  
13 ~~operation results in the production of a commercially saleable~~  
14 ~~by-product or increases the production or reduces the~~  
15 ~~production costs of the products or services otherwise sold by~~  
16 ~~the owner of such facility.~~

17 (Source: P.A. 83-121; 88-455.)

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