

# HB3258



## 103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB3258

Introduced 2/17/2023, by Rep. Kam Buckner

### SYNOPSIS AS INTRODUCED:

35 ILCS 200/9-260  
35 ILCS 200/18-250  
35 ILCS 200/21-15  
35 ILCS 200/21-25  
35 ILCS 200/21-45

Amends the Property Tax Code. Makes changes concerning interest penalties for omitted property, forfeited taxes, and delinquent and unpaid taxes. Effective immediately.

LRB103 26864 HLH 53228 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 9-260, 18-250, 21-15, 21-25, and 21-45 as follows:

6 (35 ILCS 200/9-260)

7 Sec. 9-260. Assessment of omitted property; counties of  
8 3,000,000 or more.

9 (a) After signing the affidavit, the county assessor shall  
10 have power, when directed by the board of appeals (until the  
11 first Monday in December 1998 and the board of review  
12 beginning the first Monday in December 1998 and thereafter),  
13 or on his or her own initiative, subject to the limitations of  
14 Sections 9-265 and 9-270, to assess properties which may have  
15 been omitted from assessments for the current year and not  
16 more than 3 years prior to the current year for which the  
17 property was liable to be taxed, and for which the tax has not  
18 been paid, but only on notice and an opportunity to be heard in  
19 the manner and form required by law, and shall enter the  
20 assessments upon the assessment books. Any notice shall  
21 include (i) a request that a person receiving the notice who is  
22 not the current taxpayer contact the office of the county  
23 assessor and explain that the person is not the current

1 taxpayer, which contact may be made on the telephone, in  
2 writing, or in person upon receipt of the notice, and (ii) the  
3 name, address, and telephone number of the appropriate  
4 personnel in the office of the county assessor to whom the  
5 response should be made. Any time period for the review of an  
6 omitted assessment included in the notice shall be consistent  
7 with the time period established by the assessor in accordance  
8 with subsection (a) of Section 12-55. No charge for tax of  
9 previous years shall be made against any property if (1) the  
10 assessor failed to notify the board of review of the omitted  
11 assessment in accordance with subsection (a-1) of this  
12 Section; (2) the property was last assessed as unimproved, the  
13 owner of such property gave notice of subsequent improvements  
14 and requested a reassessment as required by Section 9-180, and  
15 reassessment of the property was not made within the 16 month  
16 period immediately following the receipt of that notice; (3)  
17 the owner of the property gave notice as required by Section  
18 9-265; (4) the assessor received a building permit for the  
19 property evidencing that new construction had occurred or was  
20 occurring on the property but failed to list the improvement  
21 on the tax rolls; (5) the assessor received a plat map, plat of  
22 survey, ALTA survey, mortgage survey, or other similar  
23 document containing the omitted property but failed to list  
24 the improvement on the tax rolls; (6) the assessor received a  
25 real estate transfer declaration indicating a sale from an  
26 exempt property owner to a non-exempt property owner but

1 failed to list the property on the tax rolls; or (7) the  
2 property was the subject of an assessment appeal before the  
3 assessor or the board of review that had included the intended  
4 omitted property as part of the assessment appeal and provided  
5 evidence of its market value.

6 (a-1) After providing notice and an opportunity to be  
7 heard as required by subsection (a) of this Section, the  
8 assessor shall render a decision on the omitted assessment,  
9 whether or not the omitted assessment was contested, and shall  
10 mail a notice of the decision to the taxpayer of record or to  
11 the party that contested the omitted assessment. The notice of  
12 decision shall contain a statement that the decision may be  
13 appealed to the board of review. The decision and all evidence  
14 used in the decision shall be transmitted by the assessor to  
15 the board of review on or before the dates specified in  
16 accordance with Section 16-110.

17 (b) Any taxes based on the omitted assessment of a  
18 property pursuant to Sections 9-260 through 9-270 and Sections  
19 16-135 and 16-140 shall be prepared and mailed at the same time  
20 as the estimated first installment property tax bill for the  
21 preceding year (as described in Section 21-30) is prepared and  
22 mailed. The omitted assessment tax bill is not due until the  
23 date on which the second installment property tax bill for the  
24 preceding year becomes due. The omitted assessment tax bill  
25 shall be deemed delinquent and shall bear interest beginning  
26 on the day after the due date of the second installment (as

1 described in Section 21-25). Any taxes for omitted assessments  
2 deemed delinquent after the due date of the second installment  
3 tax bill shall bear interest, until paid or forfeited (as  
4 described in Section 21-25), at the rate of 1.5% per month or  
5 portion thereof for tax years prior to 2023 and at the rate of  
6 0.75% per month or portion thereof for tax years 2023 and  
7 thereafter ~~until paid or forfeited (as described in Section~~  
8 ~~21-25).~~

9 (c) The assessor shall have no power to change the  
10 assessment or alter the assessment books in any other manner  
11 or for any other purpose so as to change or affect the taxes in  
12 that year, except as ordered by the board of appeals (until the  
13 first Monday in December 1998 and the board of review  
14 beginning the first Monday in December 1998 and thereafter).  
15 The county assessor shall make all changes and corrections  
16 ordered by the board of appeals (until the first Monday in  
17 December 1998 and the board of review beginning the first  
18 Monday in December 1998 and thereafter). The county assessor  
19 may for the purpose of revision by the board of appeals (until  
20 the first Monday in December 1998 and the board of review  
21 beginning the first Monday in December 1998 and thereafter)  
22 certify the assessment books for any town or taxing district  
23 after or when such books are completed.

24 (Source: P.A. 96-1553, eff. 3-10-11.)

1           Sec. 18-250. Additions to forfeited taxes and unpaid  
2 special assessments; fee for estimate.

3           (a) When any property has been forfeited for taxes or  
4 special assessments, the clerk shall compute the amount of  
5 back taxes and special assessments, interest, statutory costs,  
6 and printer's fees remaining due, with one year's interest on  
7 all taxes forfeited, and enter them upon the collector's books  
8 as separate items. Except as otherwise provided in Section  
9 21-375, the aggregate so computed shall be collected in the  
10 same manner as the taxes on other property for that year. The  
11 county clerk shall examine the forfeitures, and strike all  
12 errors and make corrections as necessary. In counties with  
13 less than 3,000,000 inhabitants, interest ~~Interest~~ added to  
14 forfeitures under this Section shall be at the rate of 12% per  
15 year. In counties with 3,000,000 or more inhabitants, interest  
16 shall accrue at the rate of 12% per year for tax years prior to  
17 2023 and at the rate of 0.75% per month or portion thereof for  
18 tax years 2023 and thereafter.

19           (b) In counties with 3,000,000 or more inhabitants, taxes  
20 first extended for prior years, or previously extended for  
21 prior years for which application for judgment and order of  
22 sale is not already pending, shall be added to the tax of the  
23 current year, with interest and costs as provided by law.  
24 Forfeitures shall not be so added, but they shall remain a lien  
25 on the property upon which they were charged until paid or sold  
26 as provided by law. There shall be added to such forfeitures

1 annually the same interest as would be added if forfeited  
2 annually, until paid or sold, and the addition of each year's  
3 interest shall be considered a separate forfeiture.  
4 Forfeitures may be redeemed in the manner provided in Section  
5 21-370 or 21-375. Taxes and special assessments for which  
6 application for judgment and order of sale is pending, or  
7 entered but not enforced for any reason, shall not be added to  
8 the tax for the current year. However, if the taxes and special  
9 assessments remain unpaid, the property, shall be advertised  
10 and sold under judgments and orders of sale to be entered in  
11 pending applications, or already entered in prior  
12 applications, including judgments and orders of sale under  
13 which the purchaser fails to complete his or her purchase.

14 (c) In counties with 3,000,000 or more inhabitants, on or  
15 before January 1, 2001 and during each year thereafter, the  
16 county clerk shall compute the amount of taxes on each  
17 property that remain due or forfeited for any year prior to the  
18 current year and have not become subject to Sections 20-180  
19 through 20-190, and the clerk shall enter the same upon the  
20 collector's warrant books of the current and all following  
21 years as separate items in a suitable column. The county clerk  
22 shall examine the collector's warrant books and the Tax  
23 Judgment, Sale, Redemption and Forfeiture records for the  
24 appropriate years and may take any other actions as the clerk  
25 finds to be necessary or convenient in order to comply with  
26 this subsection. On and after January 1, 2001, any taxes for

1 any year remaining due or forfeited against real property in  
2 such county not entered on the current collector's warrant  
3 books shall be deemed uncollectible and void, but shall not be  
4 subject to the posting or other requirements of Sections  
5 20-180 through 20-190.

6 (d) In counties with 100,000 or more inhabitants, the  
7 county clerk shall, when making the annual collector's books,  
8 in a suitable column, insert and designate previous  
9 forfeitures of general taxes by the word "forfeiture", to be  
10 stamped opposite each property forfeited at the last previous  
11 tax sale for general taxes and not redeemed or purchased  
12 previous to the completion of the collector's books. The  
13 collectors of general taxes shall stamp upon all bills  
14 rendered and receipts given the information on the collector's  
15 books regarding forfeiture of general taxes, and the stamped  
16 notation shall also refer the recipient to the county clerk  
17 for full information. The county clerk shall be allowed to  
18 collect from the person requesting an estimate of costs of  
19 redemption of a forfeited property, the fee provided by law.

20 (Source: P.A. 91-668, eff. 12-22-99.)

21 (35 ILCS 200/21-15)

22 Sec. 21-15. General tax due dates; default by mortgage  
23 lender. Except as otherwise provided in this Section or  
24 Section 21-40, all property upon which the first installment  
25 of taxes remains unpaid on the later of (i) June 1 or (ii) the



1 day after the date specified on the real estate tax bill as the  
2 first installment due date annually shall be deemed delinquent  
3 and shall bear interest after that date at the rate of 1.5% ±  
4 ~~1 1/2%~~ per month or portion thereof in counties with less than  
5 3,000,000 inhabitants. In counties with 3,000,000 or more  
6 inhabitants, interest shall accrue on unpaid taxes at the rate  
7 of 1.5% per month or portion thereof for tax years prior to  
8 2023 and at the rate of 0.75% per month or portion thereof for  
9 tax years 2023 and thereafter. Except as otherwise provided in  
10 this Section or Section 21-40, all property upon which the  
11 second installment of taxes remains due and unpaid on the  
12 later of (i) September 1 or (ii) the day after the date  
13 specified on the real estate tax bill as the second  
14 installment due date, annually, shall be deemed delinquent and  
15 shall bear interest after that date at the same interest rate.  
16 Notwithstanding any other provision of law, if a taxpayer owes  
17 an arrearage of taxes due to an administrative error, and if  
18 the county collector sends a separate bill for that arrearage  
19 as provided in Section 14-41, then any part of the arrearage of  
20 taxes that remains unpaid on the day after the due date  
21 specified on that tax bill shall be deemed delinquent and  
22 shall bear interest after that date at the rate of 1 1/2% per  
23 month or portion thereof. All interest collected shall be paid  
24 into the general fund of the county. Payment received by mail  
25 and postmarked on or before the required due date is not  
26 delinquent.

1           Property not subject to the interest charge in Section  
2 9-260 or Section 9-265 shall also not be subject to the  
3 interest charge imposed by this Section until such time as the  
4 owner of the property receives actual notice of and is billed  
5 for the principal amount of back taxes due and owing.

6           If an Illinois resident who is a member of the Illinois  
7 National Guard or a reserve component of the armed forces of  
8 the United States and who has an ownership interest in  
9 property taxed under this Act is called to active duty for  
10 deployment outside the continental United States and is on  
11 active duty on the due date of any installment of taxes due  
12 under this Act, he or she shall not be deemed delinquent in the  
13 payment of the installment and no interest shall accrue or be  
14 charged as a penalty on the installment until 180 days after  
15 that member returns from active duty. To be deemed not  
16 delinquent in the payment of an installment of taxes and any  
17 interest on that installment, the reservist or guardsperson  
18 must make a reasonable effort to notify the county clerk and  
19 the county collector of his or her activation to active duty  
20 and must notify the county clerk and the county collector  
21 within 180 days after his or her deactivation and provide  
22 verification of the date of his or her deactivation. An  
23 installment of property taxes on the property of any reservist  
24 or guardsperson who fails to provide timely notice and  
25 verification of deactivation to the county clerk is subject to  
26 interest and penalties as delinquent taxes under this Code

1 from the date of deactivation.

2 Notwithstanding any other provision of law, when any  
3 unpaid taxes become delinquent under this Section through the  
4 fault of the mortgage lender, (i) the interest assessed under  
5 this Section for delinquent taxes shall be charged against the  
6 mortgage lender and not the mortgagor and (ii) the mortgage  
7 lender shall pay the taxes, redeem the property and take all  
8 necessary steps to remove any liens accruing against the  
9 property because of the delinquency. In the event that more  
10 than one entity meets the definition of mortgage lender with  
11 respect to any mortgage, the interest shall be assessed  
12 against the mortgage lender responsible for servicing the  
13 mortgage. Unpaid taxes shall be deemed delinquent through the  
14 fault of the mortgage lender only if: (a) the mortgage lender  
15 has received all payments due the mortgage lender for the  
16 property being taxed under the written terms of the mortgage  
17 or promissory note secured by the mortgage, (b) the mortgage  
18 lender holds funds in escrow to pay the taxes, and (c) the  
19 funds are sufficient to pay the taxes after deducting all  
20 amounts reasonably anticipated to become due for all hazard  
21 insurance premiums and mortgage insurance premiums and any  
22 other assessments to be paid from the escrow under the terms of  
23 the mortgage. For purposes of this Section, an amount is  
24 reasonably anticipated to become due if it is payable within  
25 12 months from the time of determining the sufficiency of  
26 funds held in escrow. Unpaid taxes shall not be deemed

1 delinquent through the fault of the mortgage lender if the  
2 mortgage lender was directed in writing by the mortgagor not  
3 to pay the property taxes, or if the failure to pay the taxes  
4 when due resulted from inadequate or inaccurate parcel  
5 information provided by the mortgagor, a title or abstract  
6 company, or by the agency or unit of government assessing the  
7 tax.

8 (Source: P.A. 97-944, eff. 8-10-12; 98-286, eff. 1-1-14.)

9 (35 ILCS 200/21-25)

10 Sec. 21-25. Due dates; accelerated billing in counties of  
11 3,000,000 or more. Except as hereinafter provided and as  
12 provided in Section 21-40, in counties with 3,000,000 or more  
13 inhabitants in which the accelerated method of billing and  
14 paying taxes provided for in Section 21-30 is in effect, the  
15 estimated first installment of unpaid taxes shall be deemed  
16 delinquent and shall bear interest after March 1 and until  
17 paid or forfeited, at the rate of 1.5% ~~1-1/2%~~ per month or  
18 portion thereof for tax years prior to 2023 and at the rate of  
19 0.75% per month or portion thereof for tax years 2023 and  
20 thereafter ~~until paid or forfeited~~. For tax year 2010, the  
21 estimated first installment of unpaid taxes shall be deemed  
22 delinquent and shall bear interest after April 1 at the rate of  
23 1.5% per month or portion thereof until paid or forfeited. For  
24 tax year 2022, the estimated first installment of unpaid taxes  
25 shall be deemed delinquent and shall bear interest after April

1, 2023 at the rate of 1.5% per month or portion thereof until paid or forfeited. For all tax years, the second installment of unpaid taxes shall be deemed delinquent and shall bear interest after August 1 annually at the same interest rate until paid or forfeited. Notwithstanding any other provision of law, if a taxpayer owes an arrearage of taxes due to an administrative error, and if the county collector sends a separate bill for that arrearage as provided in Section 14-41, then any part of the arrearage of taxes that remains unpaid on the day after the due date specified on that tax bill shall be deemed delinquent and shall bear interest after that date at the rate of 1.5% ~~1-1/2%~~ per month or portion thereof for tax years prior to 2023 and at the rate of 0.75% per month or portion thereof for tax year 2023 and thereafter.

If the county board elects by ordinance adopted prior to July 1 of a levy year to provide for taxes to be paid in 4 installments, each installment for that levy year and each subsequent year shall be deemed delinquent and shall begin to bear interest 30 days after the date specified by the ordinance for mailing bills and until paid or forfeited ~~at the rate of 1.5% ~~1-1/2%~~ per month or portion thereof for tax years prior to 2023 and at the rate of 0.75% per month or portion thereof for tax years 2023 and thereafter, until paid or forfeited.~~

Payment received by mail and postmarked on or before the required due date is not delinquent.

1 Taxes levied on homestead property in which a member of  
2 the National Guard or reserves of the armed forces of the  
3 United States who was called to active duty on or after August  
4 1, 1990, and who has an ownership interest, shall not be deemed  
5 delinquent and no interest shall accrue or be charged as a  
6 penalty on such taxes due and payable in 1991 or 1992 until one  
7 year after that member returns to civilian status.

8 If an Illinois resident who is a member of the Illinois  
9 National Guard or a reserve component of the armed forces of  
10 the United States and who has an ownership interest in  
11 property taxed under this Act is called to active duty for  
12 deployment outside the continental United States and is on  
13 active duty on the due date of any installment of taxes due  
14 under this Act, he or she shall not be deemed delinquent in the  
15 payment of the installment and no interest shall accrue or be  
16 charged as a penalty on the installment until 180 days after  
17 that member returns to civilian status. To be deemed not  
18 delinquent in the payment of an installment of taxes and any  
19 interest on that installment, the reservist or guardsperson  
20 must make a reasonable effort to notify the county clerk and  
21 the county collector of his or her activation to active duty  
22 and must notify the county clerk and the county collector  
23 within 180 days after his or her deactivation and provide  
24 verification of the date of his or her deactivation. An  
25 installment of property taxes on the property of any reservist  
26 or guardsperson who fails to provide timely notice and

1 verification of deactivation to the county clerk is subject to  
2 interest and penalties as delinquent taxes under this Code  
3 from the date of deactivation.

4 (Source: P.A. 102-1112, eff. 12-21-22.)

5 (35 ILCS 200/21-45)

6 Sec. 21-45. Failure to issue tax bill in prior year. In the  
7 event no tax bill was issued as provided in Section 21-30, on  
8 any property in any previous year for any reason, one tax bill  
9 shall be prepared and mailed by July 1 of the year subsequent  
10 to the year in which no tax bill was issued, and taxes on that  
11 property for that year only shall bear interest after the  
12 first day of August of that year and until paid or forfeited at  
13 the rate of 1.5% ~~1-1/2%~~ per month or portion thereof for tax  
14 years prior to 2023 and at the rate of 0.75% per month or  
15 portion thereof for tax years 2023 and thereafter ~~until paid~~  
16 ~~or forfeited~~.

17 (Source: P.A. 87-17; 88-455.)

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