

1                                    AMENDMENT TO HOUSE BILL 534

2            AMENDMENT NO. \_\_\_\_\_. Amend House Bill 534 by replacing  
3 everything after the enacting clause with the following:

4            "Section 5. The Property Tax Code is amended by changing  
5 Section 18-185 as follows:

6            (35 ILCS 200/18-185)

7            Sec. 18-185. Short title; definitions. This Division 5  
8 may be cited as the Property Tax Extension Limitation Law.  
9 As used in this Division 5:

10           "Consumer Price Index" means the Consumer Price Index for  
11 All Urban Consumers for all items published by the United  
12 States Department of Labor.

13           "Extension limitation" means (a) the lesser of 5% or the  
14 percentage increase in the Consumer Price Index during the  
15 12-month calendar year preceding the levy year or (b) the  
16 rate of increase approved by voters under Section 18-205.

17           "Affected county" means a county of 3,000,000 or more  
18 inhabitants or a county contiguous to a county of 3,000,000  
19 or more inhabitants.

20           "Taxing district" has the same meaning provided in  
21 Section 1-150, except as otherwise provided in this Section.  
22 For the 1991 through 1994 levy years only, "taxing district"

1 includes only each non-home rule taxing district having the  
2 majority of its 1990 equalized assessed value within any  
3 county or counties contiguous to a county with 3,000,000 or  
4 more inhabitants. Beginning with the 1995 levy year, "taxing  
5 district" includes only each non-home rule taxing district  
6 subject to this Law before the 1995 levy year and each  
7 non-home rule taxing district not subject to this Law before  
8 the 1995 levy year having the majority of its 1994 equalized  
9 assessed value in an affected county or counties. Beginning  
10 with the levy year in which this Law becomes applicable to a  
11 taxing district as provided in Section 18-213, "taxing  
12 district" also includes those taxing districts made subject  
13 to this Law as provided in Section 18-213.

14 "Aggregate extension" for taxing districts to which this  
15 Law applied before the 1995 levy year means the annual  
16 corporate extension for the taxing district and those special  
17 purpose extensions that are made annually for the taxing  
18 district, excluding special purpose extensions: (a) made for  
19 the taxing district to pay interest or principal on general  
20 obligation bonds that were approved by referendum; (b) made  
21 for any taxing district to pay interest or principal on  
22 general obligation bonds issued before October 1, 1991; (c)  
23 made for any taxing district to pay interest or principal on  
24 bonds issued to refund or continue to refund those bonds  
25 issued before October 1, 1991; (d) made for any taxing  
26 district to pay interest or principal on bonds issued to  
27 refund or continue to refund bonds issued after October 1,  
28 1991 that were approved by referendum; (e) made for any  
29 taxing district to pay interest or principal on revenue bonds  
30 issued before October 1, 1991 for payment of which a property  
31 tax levy or the full faith and credit of the unit of local  
32 government is pledged; however, a tax for the payment of  
33 interest or principal on those bonds shall be made only after  
34 the governing body of the unit of local government finds that

1 all other sources for payment are insufficient to make those  
2 payments; (f) made for payments under a building commission  
3 lease when the lease payments are for the retirement of bonds  
4 issued by the commission before October 1, 1991, to pay for  
5 the building project; (g) made for payments due under  
6 installment contracts entered into before October 1, 1991;  
7 (h) made for payments of principal and interest on bonds  
8 issued under the Metropolitan Water Reclamation District Act  
9 to finance construction projects initiated before October 1,  
10 1991; (i) made for payments of principal and interest on  
11 limited bonds, as defined in Section 3 of the Local  
12 Government Debt Reform Act, in an amount not to exceed the  
13 debt service extension base less the amount in items (b),  
14 (c), (e), and (h) of this definition for non-referendum  
15 obligations, except obligations initially issued pursuant to  
16 referendum; (j) made for payments of principal and interest  
17 on bonds issued under Section 15 of the Local Government Debt  
18 Reform Act; and (k) made by a school district that  
19 participates in the Special Education District of Lake  
20 County, created by special education joint agreement under  
21 Section 10-22.31 of the School Code, for payment of the  
22 school district's share of the amounts required to be  
23 contributed by the Special Education District of Lake County  
24 to the Illinois Municipal Retirement Fund under Article 7 of  
25 the Illinois Pension Code; the amount of any extension under  
26 this item (k) shall be certified by the school district to  
27 the county clerk; and (l) made to fund expenses of providing  
28 joint recreational programs for the handicapped under Section  
29 5-8 of the Park District Code or Section 11-95-14 of the  
30 Illinois Municipal Code.

31 "Aggregate extension" for the taxing districts to which  
32 this Law did not apply before the 1995 levy year (except  
33 taxing districts subject to this Law in accordance with  
34 Section 18-213) means the annual corporate extension for the

1 taxing district and those special purpose extensions that are  
2 made annually for the taxing district, excluding special  
3 purpose extensions: (a) made for the taxing district to pay  
4 interest or principal on general obligation bonds that were  
5 approved by referendum; (b) made for any taxing district to  
6 pay interest or principal on general obligation bonds issued  
7 before March 1, 1995; (c) made for any taxing district to pay  
8 interest or principal on bonds issued to refund or continue  
9 to refund those bonds issued before March 1, 1995; (d) made  
10 for any taxing district to pay interest or principal on bonds  
11 issued to refund or continue to refund bonds issued after  
12 March 1, 1995 that were approved by referendum; (e) made for  
13 any taxing district to pay interest or principal on revenue  
14 bonds issued before March 1, 1995 for payment of which a  
15 property tax levy or the full faith and credit of the unit of  
16 local government is pledged; however, a tax for the payment  
17 of interest or principal on those bonds shall be made only  
18 after the governing body of the unit of local government  
19 finds that all other sources for payment are insufficient to  
20 make those payments; (f) made for payments under a building  
21 commission lease when the lease payments are for the  
22 retirement of bonds issued by the commission before March 1,  
23 1995 to pay for the building project; (g) made for payments  
24 due under installment contracts entered into before March 1,  
25 1995; (h) made for payments of principal and interest on  
26 bonds issued under the Metropolitan Water Reclamation  
27 District Act to finance construction projects initiated  
28 before October 1, 1991; (i) made for payments of principal  
29 and interest on limited bonds, as defined in Section 3 of the  
30 Local Government Debt Reform Act, in an amount not to exceed  
31 the debt service extension base less the amount in items (b),  
32 (c), and (e) of this definition for non-referendum  
33 obligations, except obligations initially issued pursuant to  
34 referendum and bonds described in subsection (h) of this

1 definition; (j) made for payments of principal and interest  
2 on bonds issued under Section 15 of the Local Government Debt  
3 Reform Act; (k) made for payments of principal and interest  
4 on bonds authorized by Public Act 88-503 and issued under  
5 Section 20a of the Chicago Park District Act for aquarium or  
6 museum projects; (l) made for payments of principal and  
7 interest on bonds authorized by Public Act 87-1191 and issued  
8 under Section 42 of the Cook County Forest Preserve District  
9 Act for zoological park projects; and (m) made pursuant to  
10 Section 34-53.5 of the School Code, whether levied annually  
11 or not; and (n) made to fund expenses of providing joint  
12 recreational programs for the handicapped under Section 5-8  
13 of the Park District Code or Section 11-95-14 of the Illinois  
14 Municipal Code.

15 "Aggregate extension" for all taxing districts to which  
16 this Law applies in accordance with Section 18-213, except  
17 for those taxing districts subject to paragraph (2) of  
18 subsection (e) of Section 18-213, means the annual corporate  
19 extension for the taxing district and those special purpose  
20 extensions that are made annually for the taxing district,  
21 excluding special purpose extensions: (a) made for the taxing  
22 district to pay interest or principal on general obligation  
23 bonds that were approved by referendum; (b) made for any  
24 taxing district to pay interest or principal on general  
25 obligation bonds issued before the date on which the  
26 referendum making this Law applicable to the taxing district  
27 is held; (c) made for any taxing district to pay interest or  
28 principal on bonds issued to refund or continue to refund  
29 those bonds issued before the date on which the referendum  
30 making this Law applicable to the taxing district is held;  
31 (d) made for any taxing district to pay interest or principal  
32 on bonds issued to refund or continue to refund bonds issued  
33 after the date on which the referendum making this Law  
34 applicable to the taxing district is held if the bonds were

1 approved by referendum after the date on which the referendum  
2 making this Law applicable to the taxing district is held;  
3 (e) made for any taxing district to pay interest or principal  
4 on revenue bonds issued before the date on which the  
5 referendum making this Law applicable to the taxing district  
6 is held for payment of which a property tax levy or the full  
7 faith and credit of the unit of local government is pledged;  
8 however, a tax for the payment of interest or principal on  
9 those bonds shall be made only after the governing body of  
10 the unit of local government finds that all other sources for  
11 payment are insufficient to make those payments; (f) made for  
12 payments under a building commission lease when the lease  
13 payments are for the retirement of bonds issued by the  
14 commission before the date on which the referendum making  
15 this Law applicable to the taxing district is held to pay for  
16 the building project; (g) made for payments due under  
17 installment contracts entered into before the date on which  
18 the referendum making this Law applicable to the taxing  
19 district is held; (h) made for payments of principal and  
20 interest on limited bonds, as defined in Section 3 of the  
21 Local Government Debt Reform Act, in an amount not to exceed  
22 the debt service extension base less the amount in items (b),  
23 (c), and (e) of this definition for non-referendum  
24 obligations, except obligations initially issued pursuant to  
25 referendum; (i) made for payments of principal and interest  
26 on bonds issued under Section 15 of the Local Government Debt  
27 Reform Act; and (j) made for a qualified airport authority to  
28 pay interest or principal on general obligation bonds issued  
29 for the purpose of paying obligations due under, or financing  
30 airport facilities required to be acquired, constructed,  
31 installed or equipped pursuant to, contracts entered into  
32 before March 1, 1996 (but not including any amendments to  
33 such a contract taking effect on or after that date); and (k)  
34 made to fund expenses of providing joint recreational

1 programs for the handicapped under Section 5-8 of the Park  
2 District Code or Section 11-95-14 of the Illinois Municipal  
3 Code.

4 "Aggregate extension" for all taxing districts to which  
5 this Law applies in accordance with paragraph (2) of  
6 subsection (e) of Section 18-213 means the annual corporate  
7 extension for the taxing district and those special purpose  
8 extensions that are made annually for the taxing district,  
9 excluding special purpose extensions: (a) made for the taxing  
10 district to pay interest or principal on general obligation  
11 bonds that were approved by referendum; (b) made for any  
12 taxing district to pay interest or principal on general  
13 obligation bonds issued before the effective date of this  
14 amendatory Act of 1997; (c) made for any taxing district to  
15 pay interest or principal on bonds issued to refund or  
16 continue to refund those bonds issued before the effective  
17 date of this amendatory Act of 1997; (d) made for any taxing  
18 district to pay interest or principal on bonds issued to  
19 refund or continue to refund bonds issued after the effective  
20 date of this amendatory Act of 1997 if the bonds were  
21 approved by referendum after the effective date of this  
22 amendatory Act of 1997; (e) made for any taxing district to  
23 pay interest or principal on revenue bonds issued before the  
24 effective date of this amendatory Act of 1997 for payment of  
25 which a property tax levy or the full faith and credit of the  
26 unit of local government is pledged; however, a tax for the  
27 payment of interest or principal on those bonds shall be made  
28 only after the governing body of the unit of local government  
29 finds that all other sources for payment are insufficient to  
30 make those payments; (f) made for payments under a building  
31 commission lease when the lease payments are for the  
32 retirement of bonds issued by the commission before the  
33 effective date of this amendatory Act of 1997 to pay for the  
34 building project; (g) made for payments due under installment

1 contracts entered into before the effective date of this  
2 amendatory Act of 1997; (h) made for payments of principal  
3 and interest on limited bonds, as defined in Section 3 of the  
4 Local Government Debt Reform Act, in an amount not to exceed  
5 the debt service extension base less the amount in items (b),  
6 (c), and (e) of this definition for non-referendum  
7 obligations, except obligations initially issued pursuant to  
8 referendum; (i) made for payments of principal and interest  
9 on bonds issued under Section 15 of the Local Government Debt  
10 Reform Act; and (j) made for a qualified airport authority to  
11 pay interest or principal on general obligation bonds issued  
12 for the purpose of paying obligations due under, or financing  
13 airport facilities required to be acquired, constructed,  
14 installed or equipped pursuant to, contracts entered into  
15 before March 1, 1996 (but not including any amendments to  
16 such a contract taking effect on or after that date); and (k)  
17 made to fund expenses of providing joint recreational  
18 programs for the handicapped under Section 5-8 of the Park  
19 District Code or Section 11-95-14 of the Illinois Municipal  
20 Code.

21 "Debt service extension base" means an amount equal to  
22 that portion of the extension for a taxing district for the  
23 1994 levy year, or for those taxing districts subject to this  
24 Law in accordance with Section 18-213, except for those  
25 subject to paragraph (2) of subsection (e) of Section 18-213,  
26 for the levy year in which the referendum making this Law  
27 applicable to the taxing district is held, or for those  
28 taxing districts subject to this Law in accordance with  
29 paragraph (2) of subsection (e) of Section 18-213 for the  
30 1996 levy year, constituting an extension for payment of  
31 principal and interest on bonds issued by the taxing district  
32 without referendum, but not including (i) bonds authorized by  
33 Public Act 88-503 and issued under Section 20a of the Chicago  
34 Park District Act for aquarium and museum projects; (ii)

1 bonds issued under Section 15 of the Local Government Debt  
2 Reform Act; or (iii) refunding obligations issued to refund  
3 or to continue to refund obligations initially issued  
4 pursuant to referendum. The debt service extension base may  
5 be established or increased as provided under Section 18-212.

6 "Special purpose extensions" include, but are not limited  
7 to, extensions for levies made on an annual basis for  
8 unemployment and workers' compensation, self-insurance,  
9 contributions to pension plans, and extensions made pursuant  
10 to Section 6-601 of the Illinois Highway Code for a road  
11 district's permanent road fund whether levied annually or  
12 not. The extension for a special service area is not  
13 included in the aggregate extension.

14 "Aggregate extension base" means the taxing district's  
15 last preceding aggregate extension as adjusted under Sections  
16 18-215 through 18-230.

17 "Levy year" has the same meaning as "year" under Section  
18 1-155.

19 "New property" means (i) the assessed value, after final  
20 board of review or board of appeals action, of new  
21 improvements or additions to existing improvements on any  
22 parcel of real property that increase the assessed value of  
23 that real property during the levy year multiplied by the  
24 equalization factor issued by the Department under Section  
25 17-30 and (ii) the assessed value, after final board of  
26 review or board of appeals action, of real property not  
27 exempt from real estate taxation, which real property was  
28 exempt from real estate taxation for any portion of the  
29 immediately preceding levy year, multiplied by the  
30 equalization factor issued by the Department under Section  
31 17-30. In addition, the county clerk in a county containing a  
32 population of 3,000,000 or more shall include in the 1997  
33 recovered tax increment value for any school district, any  
34 recovered tax increment value that was applicable to the 1995

1 tax year calculations.

2 "Qualified airport authority" means an airport authority  
3 organized under the Airport Authorities Act and located in a  
4 county bordering on the State of Wisconsin and having a  
5 population in excess of 200,000 and not greater than 500,000.

6 "Recovered tax increment value" means, except as  
7 otherwise provided in this paragraph, the amount of the  
8 current year's equalized assessed value, in the first year  
9 after a municipality terminates the designation of an area as  
10 a redevelopment project area previously established under the  
11 Tax Increment Allocation Development Act in the Illinois  
12 Municipal Code, previously established under the Industrial  
13 Jobs Recovery Law in the Illinois Municipal Code, or  
14 previously established under the Economic Development Area  
15 Tax Increment Allocation Act, of each taxable lot, block,  
16 tract, or parcel of real property in the redevelopment  
17 project area over and above the initial equalized assessed  
18 value of each property in the redevelopment project area. For  
19 the taxes which are extended for the 1997 levy year, the  
20 recovered tax increment value for a non-home rule taxing  
21 district that first became subject to this Law for the 1995  
22 levy year because a majority of its 1994 equalized assessed  
23 value was in an affected county or counties shall be  
24 increased if a municipality terminated the designation of an  
25 area in 1993 as a redevelopment project area previously  
26 established under the Tax Increment Allocation Development  
27 Act in the Illinois Municipal Code, previously established  
28 under the Industrial Jobs Recovery Law in the Illinois  
29 Municipal Code, or previously established under the Economic  
30 Development Area Tax Increment Allocation Act, by an amount  
31 equal to the 1994 equalized assessed value of each taxable  
32 lot, block, tract, or parcel of real property in the  
33 redevelopment project area over and above the initial  
34 equalized assessed value of each property in the

1 redevelopment project area. In the first year after a  
2 municipality removes a taxable lot, block, tract, or parcel  
3 of real property from a redevelopment project area  
4 established under the Tax Increment Allocation Development  
5 Act in the Illinois Municipal Code, the Industrial Jobs  
6 Recovery Law in the Illinois Municipal Code, or the Economic  
7 Development Area Tax Increment Allocation Act, "recovered tax  
8 increment value" means the amount of the current year's  
9 equalized assessed value of each taxable lot, block, tract,  
10 or parcel of real property removed from the redevelopment  
11 project area over and above the initial equalized assessed  
12 value of that real property before removal from the  
13 redevelopment project area.

14 Except as otherwise provided in this Section, "limiting  
15 rate" means a fraction the numerator of which is the last  
16 preceding aggregate extension base times an amount equal to  
17 one plus the extension limitation defined in this Section and  
18 the denominator of which is the current year's equalized  
19 assessed value of all real property in the territory under  
20 the jurisdiction of the taxing district during the prior levy  
21 year. For those taxing districts that reduced their  
22 aggregate extension for the last preceding levy year, the  
23 highest aggregate extension in any of the last 3 preceding  
24 levy years shall be used for the purpose of computing the  
25 limiting rate. The denominator shall not include new  
26 property. The denominator shall not include the recovered  
27 tax increment value.

28 (Source: P.A. 91-357, eff. 7-29-99; 91-478, eff. 11-1-99;  
29 92-547, eff. 6-13-02.)

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