

1 AN ACT concerning taxes.

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

4 Section 5. The Property Tax Code is amended by changing  
5 Section 15-172 as follows:

6 (35 ILCS 200/15-172)

7 Sec. 15-172. Senior Citizens Assessment Freeze Homestead  
8 Exemption.

9 (a) This Section may be cited as the Senior Citizens  
10 Assessment Freeze Homestead Exemption.

11 (b) As used in this Section:

12 "Applicant" means an individual who has filed an  
13 application under this Section.

14 "Base amount" means the base year equalized assessed  
15 value of the residence plus the first year's equalized  
16 assessed value of any added improvements which increased the  
17 assessed value of the residence after the base year.

18 "Base year" means the taxable year prior to the taxable  
19 year for which the applicant first qualifies and applies for  
20 the exemption provided that in the prior taxable year the  
21 property was improved with a permanent structure that was  
22 occupied as a residence by the applicant who was liable for  
23 paying real property taxes on the property and who was either  
24 (i) an owner of record of the property or had legal or  
25 equitable interest in the property as evidenced by a written  
26 instrument or (ii) had a legal or equitable interest as a  
27 lessee in the parcel of property that was single family  
28 residence. If in any subsequent taxable year for which the  
29 applicant applies and qualifies for the exemption the  
30 equalized assessed value of the residence is less than the  
31 equalized assessed value in the existing base year (provided

1 that such equalized assessed value is not based on an  
2 assessed value that results from a temporary irregularity in  
3 the property that reduces the assessed value for one or more  
4 taxable years), then that subsequent taxable year shall  
5 become the base year until a new base year is established  
6 under the terms of this paragraph. For taxable year 1999  
7 only, the Chief County Assessment Officer shall review (i)  
8 all taxable years for which the applicant applied and  
9 qualified for the exemption and (ii) the existing base year.  
10 The assessment officer shall select as the new base year the  
11 year with the lowest equalized assessed value. An equalized  
12 assessed value that is based on an assessed value that  
13 results from a temporary irregularity in the property that  
14 reduces the assessed value for one or more taxable years  
15 shall not be considered the lowest equalized assessed value.  
16 The selected year shall be the base year for taxable year  
17 1999 and thereafter until a new base year is established  
18 under the terms of this paragraph.

19 "Chief County Assessment Officer" means the County  
20 Assessor or Supervisor of Assessments of the county in which  
21 the property is located.

22 "Equalized assessed value" means the assessed value as  
23 equalized by the Illinois Department of Revenue.

24 "Household" means the applicant, the spouse of the  
25 applicant, and all persons using the residence of the  
26 applicant as their principal place of residence.

27 "Household income" means the combined income of the  
28 members of a household for the calendar year preceding the  
29 taxable year.

30 "Income" has the same meaning as provided in Section 3.07  
31 of the Senior Citizens and Disabled Persons Property Tax  
32 Relief and Pharmaceutical Assistance Act, except that,  
33 beginning in assessment year 2001, "income" does not include  
34 veteran's benefits and, beginning in taxable year 2003,

1 "income" does not include benefits paid under the federal  
2 Social Security Act to or for the benefit of any member of  
3 the household other than the applicant or the applicant's  
4 spouse.

5 "Internal Revenue Code of 1986" means the United States  
6 Internal Revenue Code of 1986 or any successor law or laws  
7 relating to federal income taxes in effect for the year  
8 preceding the taxable year.

9 "Life care facility that qualifies as a cooperative"  
10 means a facility as defined in Section 2 of the Life Care  
11 Facilities Act.

12 "Residence" means the principal dwelling place and  
13 appurtenant structures used for residential purposes in this  
14 State occupied on January 1 of the taxable year by a  
15 household and so much of the surrounding land, constituting  
16 the parcel upon which the dwelling place is situated, as is  
17 used for residential purposes. If the Chief County Assessment  
18 Officer has established a specific legal description for a  
19 portion of property constituting the residence, then that  
20 portion of property shall be deemed the residence for the  
21 purposes of this Section.

22 "Taxable year" means the calendar year during which ad  
23 valorem property taxes payable in the next succeeding year  
24 are levied.

25 (c) Beginning in taxable year 1994, a senior citizens  
26 assessment freeze homestead exemption is granted for real  
27 property that is improved with a permanent structure that is  
28 occupied as a residence by an applicant who (i) is 65 years  
29 of age or older during the taxable year, (ii) has a household  
30 income of \$35,000 or less prior to taxable year 1999 or  
31 \$40,000 or less in taxable year 1999 and thereafter, (iii) is  
32 liable for paying real property taxes on the property, and  
33 (iv) is an owner of record of the property or has a legal or  
34 equitable interest in the property as evidenced by a written

1 instrument. This homestead exemption shall also apply to a  
2 leasehold interest in a parcel of property improved with a  
3 permanent structure that is a single family residence that is  
4 occupied as a residence by a person who (i) is 65 years of  
5 age or older during the taxable year, (ii) has a household  
6 income of \$35,000 or less prior to taxable year 1999 or  
7 \$40,000 or less in taxable year 1999 and thereafter, (iii)  
8 has a legal or equitable ownership interest in the property  
9 as lessee, and (iv) is liable for the payment of real  
10 property taxes on that property.

11 The amount of this exemption shall be the equalized  
12 assessed value of the residence in the taxable year for which  
13 application is made minus the base amount.

14 When the applicant is a surviving spouse of an applicant  
15 for a prior year for the same residence for which an  
16 exemption under this Section has been granted, the base year  
17 and base amount for that residence are the same as for the  
18 applicant for the prior year.

19 Each year at the time the assessment books are certified  
20 to the County Clerk, the Board of Review or Board of Appeals  
21 shall give to the County Clerk a list of the assessed values  
22 of improvements on each parcel qualifying for this exemption  
23 that were added after the base year for this parcel and that  
24 increased the assessed value of the property.

25 In the case of land improved with an apartment building  
26 owned and operated as a cooperative or a building that is a  
27 life care facility that qualifies as a cooperative, the  
28 maximum reduction from the equalized assessed value of the  
29 property is limited to the sum of the reductions calculated  
30 for each unit occupied as a residence by a person or persons  
31 65 years of age or older with a household income of \$35,000  
32 or less prior to taxable year 1999 or \$40,000 or less in  
33 taxable year 1999 and thereafter who is liable, by contract  
34 with the owner or owners of record, for paying real property

1 taxes on the property and who is an owner of record of a  
2 legal or equitable interest in the cooperative apartment  
3 building, other than a leasehold interest. In the instance of  
4 a cooperative where a homestead exemption has been granted  
5 under this Section, the cooperative association or its  
6 management firm shall credit the savings resulting from that  
7 exemption only to the apportioned tax liability of the owner  
8 who qualified for the exemption. Any person who willfully  
9 refuses to credit that savings to an owner who qualifies for  
10 the exemption is guilty of a Class B misdemeanor.

11 When a homestead exemption has been granted under this  
12 Section and an applicant then becomes a resident of a  
13 facility licensed under the Nursing Home Care Act, the  
14 exemption shall be granted in subsequent years so long as the  
15 residence (i) continues to be occupied by the qualified  
16 applicant's spouse or (ii) if remaining unoccupied, is still  
17 owned by the qualified applicant for the homestead exemption.

18 Beginning January 1, 1997, when an individual dies who  
19 would have qualified for an exemption under this Section, and  
20 the surviving spouse does not independently qualify for this  
21 exemption because of age, the exemption under this Section  
22 shall be granted to the surviving spouse for the taxable year  
23 preceding and the taxable year of the death, provided that,  
24 except for age, the surviving spouse meets all other  
25 qualifications for the granting of this exemption for those  
26 years.

27 When married persons maintain separate residences, the  
28 exemption provided for in this Section may be claimed by only  
29 one of such persons and for only one residence.

30 For taxable year 1994 only, in counties having less than  
31 3,000,000 inhabitants, to receive the exemption, a person  
32 shall submit an application by February 15, 1995 to the Chief  
33 County Assessment Officer of the county in which the property  
34 is located. In counties having 3,000,000 or more

1 inhabitants, for taxable year 1994 and all subsequent taxable  
2 years, to receive the exemption, a person may submit an  
3 application to the Chief County Assessment Officer of the  
4 county in which the property is located during such period as  
5 may be specified by the Chief County Assessment Officer. The  
6 Chief County Assessment Officer in counties of 3,000,000 or  
7 more inhabitants shall annually give notice of the  
8 application period by mail or by publication. In counties  
9 having less than 3,000,000 inhabitants, beginning with  
10 taxable year 1995 and thereafter, to receive the exemption, a  
11 person shall submit an application by July 1 of each taxable  
12 year to the Chief County Assessment Officer of the county in  
13 which the property is located. A county may, by ordinance,  
14 establish a date for submission of applications that is  
15 different than July 1. The applicant shall submit with the  
16 application an affidavit of the applicant's total household  
17 income, age, marital status (and if married the name and  
18 address of the applicant's spouse, if known), and principal  
19 dwelling place of members of the household on January 1 of  
20 the taxable year. The Department shall establish, by rule, a  
21 method for verifying the accuracy of affidavits filed by  
22 applicants under this Section. The applications shall be  
23 clearly marked as applications for the Senior Citizens  
24 Assessment Freeze Homestead Exemption.

25 Notwithstanding any other provision to the contrary, in  
26 counties having fewer than 3,000,000 inhabitants, if an  
27 applicant fails to file the application required by this  
28 Section in a timely manner and this failure to file is due to  
29 a mental or physical condition sufficiently severe so as to  
30 render the applicant incapable of filing the application in a  
31 timely manner, the Chief County Assessment Officer may extend  
32 the filing deadline for a period of 30 days after the  
33 applicant regains the capability to file the application, but  
34 in no case may the filing deadline be extended beyond 3

1 months of the original filing deadline. In order to receive  
2 the extension provided in this paragraph, the applicant shall  
3 provide the Chief County Assessment Officer with a signed  
4 statement from the applicant's physician stating the nature  
5 and extent of the condition, that, in the physician's  
6 opinion, the condition was so severe that it rendered the  
7 applicant incapable of filing the application in a timely  
8 manner, and the date on which the applicant regained the  
9 capability to file the application.

10 Beginning January 1, 1998, notwithstanding any other  
11 provision to the contrary, in counties having fewer than  
12 3,000,000 inhabitants, if an applicant fails to file the  
13 application required by this Section in a timely manner and  
14 this failure to file is due to a mental or physical condition  
15 sufficiently severe so as to render the applicant incapable  
16 of filing the application in a timely manner, the Chief  
17 County Assessment Officer may extend the filing deadline for  
18 a period of 3 months. In order to receive the extension  
19 provided in this paragraph, the applicant shall provide the  
20 Chief County Assessment Officer with a signed statement from  
21 the applicant's physician stating the nature and extent of  
22 the condition, and that, in the physician's opinion, the  
23 condition was so severe that it rendered the applicant  
24 incapable of filing the application in a timely manner.

25 In counties having less than 3,000,000 inhabitants, if an  
26 applicant was denied an exemption in taxable year 1994 and  
27 the denial occurred due to an error on the part of an  
28 assessment official, or his or her agent or employee, then  
29 beginning in taxable year 1997 the applicant's base year, for  
30 purposes of determining the amount of the exemption, shall be  
31 1993 rather than 1994. In addition, in taxable year 1997, the  
32 applicant's exemption shall also include an amount equal to  
33 (i) the amount of any exemption denied to the applicant in  
34 taxable year 1995 as a result of using 1994, rather than

1 1993, as the base year, (ii) the amount of any exemption  
2 denied to the applicant in taxable year 1996 as a result of  
3 using 1994, rather than 1993, as the base year, and (iii) the  
4 amount of the exemption erroneously denied for taxable year  
5 1994.

6 For purposes of this Section, a person who will be 65  
7 years of age during the current taxable year shall be  
8 eligible to apply for the homestead exemption during that  
9 taxable year. Application shall be made during the  
10 application period in effect for the county of his or her  
11 residence.

12 The Chief County Assessment Officer may determine the  
13 eligibility of a life care facility that qualifies as a  
14 cooperative to receive the benefits provided by this Section  
15 by use of an affidavit, application, visual inspection,  
16 questionnaire, or other reasonable method in order to insure  
17 that the tax savings resulting from the exemption are  
18 credited by the management firm to the apportioned tax  
19 liability of each qualifying resident. The Chief County  
20 Assessment Officer may request reasonable proof that the  
21 management firm has so credited that exemption.

22 Except as provided in this Section, all information  
23 received by the chief county assessment officer or the  
24 Department from applications filed under this Section, or  
25 from any investigation conducted under the provisions of this  
26 Section, shall be confidential, except for official purposes  
27 or pursuant to official procedures for collection of any  
28 State or local tax or enforcement of any civil or criminal  
29 penalty or sanction imposed by this Act or by any statute or  
30 ordinance imposing a State or local tax. Any person who  
31 divulges any such information in any manner, except in  
32 accordance with a proper judicial order, is guilty of a Class  
33 A misdemeanor.

34 Nothing contained in this Section shall prevent the



1 Director or chief county assessment officer from publishing  
 2 or making available reasonable statistics concerning the  
 3 operation of the exemption contained in this Section in which  
 4 the contents of claims are grouped into aggregates in such a  
 5 way that information contained in any individual claim shall  
 6 not be disclosed.

7 (d) Each Chief County Assessment Officer shall annually  
 8 publish a notice of availability of the exemption provided  
 9 under this Section. The notice shall be published at least  
 10 60 days but no more than 75 days prior to the date on which  
 11 the application must be submitted to the Chief County  
 12 Assessment Officer of the county in which the property is  
 13 located. The notice shall appear in a newspaper of general  
 14 circulation in the county.

15 (e) Notwithstanding Sections 6 and 8 of the State  
 16 Mandates Act, no reimbursement by the State is required for  
 17 the implementation of any mandate created by this Section.

18 (Source: P.A. 90-14, eff. 7-1-97; 90-204, eff. 7-25-97;  
 19 90-523, eff. 11-13-97; 90-524, eff. 1-1-98; 90-531, eff.  
 20 1-1-98; 90-655, eff. 7-30-98; 91-45, eff. 6-30-99; 91-56,  
 21 eff. 6-30-99; 91-819, eff. 6-13-00.)

22 Section 90. The State Mandates Act is amended by adding  
 23 Section 8.27 as follows:

24 (30 ILCS 805/8.27 new)

25 Sec. 8.27. Exempt mandate. Notwithstanding Sections 6  
 26 and 8 of this Act, no reimbursement by the State is required  
 27 for the implementation of any mandate created by Section  
 28 15-172 of the Property Tax Code.

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