

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 18-165 as follows:

6 (35 ILCS 200/18-165)

7 Sec. 18-165. Abatement of taxes.

8 (a) Any taxing district, upon a majority vote of its
9 governing authority, may, after the determination of the
10 assessed valuation of its property, order the clerk of that
11 county to abate any portion of its taxes on the following
12 types of property:

13 (1) Commercial and industrial.

14 (A) The property of any commercial or
15 industrial firm, including but not limited to the
16 property of (i) any firm that is used for
17 collecting, separating, storing, or processing
18 recyclable materials, locating within the taxing
19 district during the immediately preceding year from
20 another state, territory, or country, or having been
21 newly created within this State during the
22 immediately preceding year, or expanding an existing
23 facility, or (ii) any firm that is used for the
24 generation and transmission of electricity locating
25 within the taxing district during the immediately
26 preceding year or expanding its presence within the
27 taxing district during the immediately preceding
28 year by construction of a new electric generating
29 facility that uses natural gas as its fuel, or any
30 firm that is used for production operations at a
31 new, expanded, or reopened coal mine within the

1 taxing district, that has been certified as a High
2 Impact Business by the Illinois Department of
3 Commerce and Community Affairs. The property of any
4 firm used for the generation and transmission of
5 electricity shall include all property of the firm
6 used for transmission facilities as defined in
7 Section 5.5 of the Illinois Enterprise Zone Act.
8 The abatement shall not exceed a period of 10 years
9 and the aggregate amount of abated taxes for all
10 taxing districts combined shall not exceed
11 \$4,000,000.

12 (A-5) Any property in the taxing district of a
13 new electric generating facility, as defined in
14 Section 605-332 of the Department of Commerce and
15 Community Affairs Law of the Civil Administrative
16 Code of Illinois. The abatement shall not exceed a
17 period of 10 years. The abatement shall be subject
18 to the following limitations:

19 (i) if the equalized assessed valuation
20 of the new electric generating facility is
21 equal to or greater than \$25,000,000 but less
22 than \$50,000,000, then the abatement may not
23 exceed (i) over the entire term of the
24 abatement, 5% of the taxing district's
25 aggregate taxes from the new electric
26 generating facility and (ii) in any one year of
27 abatement, 20% of the taxing district's taxes
28 from the new electric generating facility;

29 (ii) if the equalized assessed valuation
30 of the new electric generating facility is
31 equal to or greater than \$50,000,000 but less
32 than \$75,000,000, then the abatement may not
33 exceed (i) over the entire term of the
34 abatement, 10% of the taxing district's

1 aggregate taxes from the new electric
2 generating facility and (ii) in any one year of
3 abatement, 35% of the taxing district's taxes
4 from the new electric generating facility;

5 (iii) if the equalized assessed valuation
6 of the new electric generating facility is
7 equal to or greater than \$75,000,000 but less
8 than \$100,000,000, then the abatement may not
9 exceed (i) over the entire term of the
10 abatement, 20% of the taxing district's
11 aggregate taxes from the new electric
12 generating facility and (ii) in any one year of
13 abatement, 50% of the taxing district's taxes
14 from the new electric generating facility;

15 (iv) if the equalized assessed valuation
16 of the new electric generating facility is
17 equal to or greater than \$100,000,000 but less
18 than \$125,000,000, then the abatement may not
19 exceed (i) over the entire term of the
20 abatement, 30% of the taxing district's
21 aggregate taxes from the new electric
22 generating facility and (ii) in any one year of
23 abatement, 60% of the taxing district's taxes
24 from the new electric generating facility;

25 (v) if the equalized assessed valuation
26 of the new electric generating facility is
27 equal to or greater than \$125,000,000 but less
28 than \$150,000,000, then the abatement may not
29 exceed (i) over the entire term of the
30 abatement, 40% of the taxing district's
31 aggregate taxes from the new electric
32 generating facility and (ii) in any one year of
33 abatement, 60% of the taxing district's taxes
34 from the new electric generating facility;

1 (vi) if the equalized assessed valuation
2 of the new electric generating facility is
3 equal to or greater than \$150,000,000, then the
4 abatement may not exceed (i) over the entire
5 term of the abatement, 50% of the taxing
6 district's aggregate taxes from the new
7 electric generating facility and (ii) in any
8 one year of abatement, 60% of the taxing
9 district's taxes from the new electric
10 generating facility.

11 The abatement is not effective unless the owner
12 of the new electric generating facility agrees to
13 repay to the taxing district all amounts previously
14 abated, together with interest computed at the rate
15 and in the manner provided for delinquent taxes, in
16 the event that the owner of the new electric
17 generating facility closes the new electric
18 generating facility before the expiration of the
19 entire term of the abatement.

20 The authorization of taxing districts to abate
21 taxes under this subdivision (a)(1)(A-5) expires on
22 January 1, 2010.

23 (B) The property of any commercial or
24 industrial development of at least 500 acres having
25 been created within the taxing district. The
26 abatement shall not exceed a period of 20 years and
27 the aggregate amount of abated taxes for all taxing
28 districts combined shall not exceed \$12,000,000.

29 (C) The property of any commercial or
30 industrial firm currently located in the taxing
31 district that expands a facility or its number of
32 employees. The abatement shall not exceed a period
33 of 10 years and the aggregate amount of abated taxes
34 for all taxing districts combined shall not exceed

1 \$4,000,000. The abatement period may be renewed at
2 the option of the taxing districts.

3 (2) Horse racing. Any property in the taxing
4 district which is used for the racing of horses and upon
5 which capital improvements consisting of expansion,
6 improvement or replacement of existing facilities have
7 been made since July 1, 1987. The combined abatements
8 for such property from all taxing districts in any county
9 shall not exceed \$5,000,000 annually and shall not exceed
10 a period of 10 years.

11 (3) Auto racing. Any property designed exclusively
12 for the racing of motor vehicles. Such abatement shall
13 not exceed a period of 10 years.

14 (4) Academic or research institute. The property
15 of any academic or research institute in the taxing
16 district that (i) is an exempt organization under
17 paragraph (3) of Section 501(c) of the Internal Revenue
18 Code, (ii) operates for the benefit of the public by
19 actually and exclusively performing scientific research
20 and making the results of the research available to the
21 interested public on a non-discriminatory basis, and
22 (iii) employs more than 100 employees. An abatement
23 granted under this paragraph shall be for at least 15
24 years and the aggregate amount of abated taxes for all
25 taxing districts combined shall not exceed \$5,000,000.

26 (5) Housing for older persons. Any property in the
27 taxing district that is devoted exclusively to affordable
28 housing for older households. For purposes of this
29 paragraph, "older households" means those households (i)
30 living in housing provided under any State or federal
31 program that the Department of Human Rights determines is
32 specifically designed and operated to assist elderly
33 persons and is solely occupied by persons 55 years of age
34 or older and (ii) whose annual income does not exceed 80%

1 of the area gross median income, adjusted for family
2 size, as such gross income and median income are
3 determined from time to time by the United States
4 Department of Housing and Urban Development. The
5 abatement shall not exceed a period of 15 years, and the
6 aggregate amount of abated taxes for all taxing districts
7 shall not exceed \$3,000,000.

8 (6) Historical society. For assessment years 1998
9 through ~~2008~~ 2003, the property of an historical society
10 qualifying as an exempt organization under Section
11 501(c)(3) of the federal Internal Revenue Code.

12 (7) Recreational facilities. Any property in the
13 taxing district (i) that is used for a municipal airport,
14 (ii) that is subject to a leasehold assessment under
15 Section 9-195 of this Code and (iii) which is sublet from
16 a park district that is leasing the property from a
17 municipality, but only if the property is used
18 exclusively for recreational facilities or for parking
19 lots used exclusively for those facilities. The
20 abatement shall not exceed a period of 10 years.

21 (8) Relocated corporate headquarters. If approval
22 occurs within 5 years after the effective date of this
23 amendatory Act of the 92nd General Assembly, any property
24 or a portion of any property in a taxing district that is
25 used by an eligible business for a corporate headquarters
26 as defined in the Corporate Headquarters Relocation Act.
27 Instead of an abatement under this paragraph (8), a
28 taxing district may enter into an agreement with an
29 eligible business to make annual payments to that
30 eligible business in an amount not to exceed the property
31 taxes paid directly or indirectly by that eligible
32 business to the taxing district and any other taxing
33 districts for premises occupied pursuant to a written
34 lease and may make those payments without the need for an

1 annual appropriation. No school district, however, may
2 enter into an agreement with, or abate taxes for, an
3 eligible business unless the municipality in which the
4 corporate headquarters is located agrees to provide
5 funding to the school district in an amount equal to the
6 amount abated or paid by the school district as provided
7 in this paragraph (8). Any abatement ordered or agreement
8 entered into under this paragraph (8) may be effective
9 for the entire term specified by the taxing district,
10 except the term of the abatement or annual payments may
11 not exceed 20 years.

12 (b) Upon a majority vote of its governing authority, any
13 municipality may, after the determination of the assessed
14 valuation of its property, order the county clerk to abate
15 any portion of its taxes on any property that is located
16 within the corporate limits of the municipality in accordance
17 with Section 8-3-18 of the Illinois Municipal Code.

18 (Source: P.A. 91-644, eff. 8-20-99; 91-885, eff. 7-6-00;
19 92-12, eff. 7-1-01; 92-207, eff. 8-1-01; 92-247, eff. 8-3-01;
20 92-651, eff. 7-11-02.)

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