



93RD GENERAL ASSEMBLY

State of Illinois

2003 and 2004

HB5013

Introduced 2/5/2004, by Ralph C. Capparelli - James D. Brosnahan - Joseph M. Lyons - John E. Bradley - Daniel J. Burke, et al.

SYNOPSIS AS INTRODUCED:

35 ILCS 200/14-15
35 ILCS 200/14-20
35 ILCS 200/15-10
35 ILCS 200/15-170
35 ILCS 200/15-172
35 ILCS 200/15-173 new
35 ILCS 200/20-178
30 ILCS 805/8.28 new

Amends the Property Tax Code. Creates the Senior Citizens Tax Freeze Homestead Exemption. Provides that, beginning with taxable year 2004, a person who meets requirements similar to the Senior Citizens Assessment Freeze Homestead Exemption provisions, excluding the income restrictions in those provisions and adding a 20-year owner-occupant requirement, shall receive an exemption from property taxes in an amount equal to the difference between what the property tax bill for the residence would be in the taxable year minus the base amount. "Base amount" is defined as the property tax bill for the first year of eligibility for this exemption or the Senior Citizens Assessment Freeze Homestead Exemption, whichever is earlier, plus any increase in the bill resulting from any added improvements thereafter. Provides that a property eligible for the Senior Citizens Tax Freeze Homestead Exemption is not eligible for the Senior Citizens Homestead Exemption or the Senior Citizens Assessment Freeze Homestead Exemption. Amends the State Mandates Act to require implementation without reimbursement from the State. Effective immediately.

LRB093 20993 SJM 46994 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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 Sections 14-15, 14-20, 15-10, 15-170, 15-172, and 20-178 and by
6 adding Section 15-173 as follows:

7 (35 ILCS 200/14-15)

8 Sec. 14-15. Certificate of error; counties of 3,000,000 or
9 more.

10 (a) In counties with 3,000,000 or more inhabitants, if,
11 after the assessment is certified pursuant to Section 16-150,
12 but subject to the limitations of subsection (c) of this
13 Section, the county assessor discovers an error or mistake in
14 the assessment, the assessor shall execute a certificate
15 setting forth the nature and cause of the error. The
16 certificate when endorsed by the county assessor, or when
17 endorsed by the county assessor and board of appeals (until the
18 first Monday in December 1998 and the board of review beginning
19 the first Monday in December 1998 and thereafter) where the
20 certificate is executed for any assessment which was the
21 subject of a complaint filed in the board of appeals (until the
22 first Monday in December 1998 and the board of review beginning
23 the first Monday in December 1998 and thereafter) for the tax
24 year for which the certificate is issued, may, either be
25 certified according to the procedure authorized by this Section
26 or be presented and received in evidence in any court of
27 competent jurisdiction. Certification is authorized, at the
28 discretion of the county assessor, for: (1) certificates of
29 error allowing homestead exemptions pursuant to Sections
30 15-170, 15-172, 15-173, and 15-175; (2) certificates of error
31 on residential property of 6 units or less; (3) certificates of
32 error allowing exemption of the property pursuant to Section

1 14-25; and (4) other certificates of error reducing assessed
2 value by less than \$100,000. Any certificate of error not
3 certified shall be presented to the court. The county assessor
4 shall develop reasonable procedures for the filing and
5 processing of certificates of error. Prior to the certification
6 or presentation to the court, the county assessor or his or her
7 designee shall execute and include in the certificate of error
8 a statement attesting that all procedural requirements
9 pertaining to the issuance of the certificate of error have
10 been met and that in fact an error exists. When so introduced
11 in evidence such certificate shall become a part of the court
12 records, and shall not be removed from the files except upon
13 the order of the court.

14 Certificates of error that will be presented to the court
15 shall be filed as an objection in the application for judgment
16 and order of sale for the year in relation to which the
17 certificate is made or as an amendment to the objection under
18 subsection (b). Certificates of error that are to be certified
19 according to the procedure authorized by this Section need not
20 be presented to the court as an objection or an amendment under
21 subsection (b). The State's Attorney of the county in which the
22 property is situated shall mail a copy of any final judgment
23 entered by the court regarding any certificate of error to the
24 taxpayer of record for the year in question.

25 Any unpaid taxes after the entry of the final judgment by
26 the court or certification on certificates issued under this
27 Section may be included in a special tax sale, provided that an
28 advertisement is published and a notice is mailed to the person
29 in whose name the taxes were last assessed, in a form and
30 manner substantially similar to the advertisement and notice
31 required under Sections 21-110 and 21-135. The advertisement
32 and sale shall be subject to all provisions of law regulating
33 the annual advertisement and sale of delinquent property, to
34 the extent that those provisions may be made applicable.

35 A certificate of error certified under this Section shall
36 be given effect by the county treasurer, who shall mark the tax

1 books and, upon receipt of one of the following certificates
 2 from the county assessor or the county assessor and the board
 3 of review where the board of review is required to endorse the
 4 certificate of error, shall issue refunds to the taxpayer
 5 accordingly:

6 "CERTIFICATION

7 I,, county assessor, hereby certify
 8 that the Certificates of Error set out on the attached list
 9 have been duly issued to correct an error or mistake in the
 10 assessment."

11 "CERTIFICATION

12 I,, county assessor, and we,
 13,
 14 members of the board of review, hereby certify that the
 15 Certificates of Error set out on the attached list have
 16 been duly issued to correct an error or mistake in the
 17 assessment and that any certificates of error required to
 18 be endorsed by the board of review have been so endorsed."

19 The county treasurer has the power to mark the tax books to
 20 reflect the issuance of certificates of error certified
 21 according to the procedure authorized in this Section for
 22 certificates of error issued under Section 14-25 or
 23 certificates of error issued to and including 3 years after the
 24 date on which the annual judgment and order of sale for that
 25 tax year was first entered. The county treasurer has the power
 26 to issue refunds to the taxpayer as set forth above until all
 27 refunds authorized by this Section have been completed.

28 To the extent that the certificate of error obviates the
 29 liability for nonpayment of taxes, certification of a
 30 certificate of error according to the procedure authorized in
 31 this Section shall operate to vacate any judgment or forfeiture
 32 as to that year's taxes, and the warrant books and judgment
 33 books shall be marked to reflect that the judgment or

1 forfeiture has been vacated.

2 (b) Nothing in subsection (a) of this Section shall be
3 construed to prohibit the execution, endorsement, issuance,
4 and adjudication of a certificate of error if (i) the annual
5 judgment and order of sale for the tax year in question is
6 reopened for further proceedings upon consent of the county
7 collector and county assessor, represented by the State's
8 Attorney, and (ii) a new final judgment is subsequently entered
9 pursuant to the certificate. This subsection (b) shall be
10 construed as declarative of existing law and not as a new
11 enactment.

12 (c) No certificate of error, other than a certificate to
13 establish an exemption under Section 14-25, shall be executed
14 for any tax year more than 3 years after the date on which the
15 annual judgment and order of sale for that tax year was first
16 entered, except that during calendar years 1999 and 2000 a
17 certificate of error may be executed for any tax year, provided
18 that the error or mistake in the assessment was discovered no
19 more than 3 years after the date on which the annual judgment
20 and order of sale for that tax year was first entered.

21 (d) The time limitation of subsection (c) shall not apply
22 to a certificate of error correcting an assessment to \$1, under
23 Section 10-35, on a parcel that a subdivision or planned
24 development has acquired by adverse possession, if during the
25 tax year for which the certificate is executed the subdivision
26 or planned development used the parcel as common area, as
27 defined in Section 10-35, and if application for the
28 certificate of error is made prior to December 1, 1997.

29 (e) The changes made by this amendatory Act of the 91st
30 General Assembly apply to certificates of error issued before,
31 on, and after the effective date of this amendatory Act of the
32 91st General Assembly.

33 (Source: P.A. 90-4, eff. 3-7-97; 90-288, eff. 8-1-97; 90-655,
34 eff. 7-30-98; 91-393, eff. 7-30-99; 91-686, eff. 1-26-00.)

35 (35 ILCS 200/14-20)

1 Sec. 14-20. Certificate of error; counties of less than
2 3,000,000. In any county with less than 3,000,000 inhabitants,
3 if, at any time before judgment or order of sale is entered in
4 any proceeding to collect or to enjoin the collection of taxes
5 based upon any assessment of any property, the chief county
6 assessment officer discovers an error or mistake in the
7 assessment (other than errors of judgment as to the valuation
8 of the property), he or she shall issue to the person
9 erroneously assessed a certificate setting forth the nature of
10 the error and the cause or causes of the error. In any county
11 with less than 3,000,000 inhabitants, if an owner fails to file
12 an application for the Senior Citizens Assessment Freeze
13 Homestead Exemption provided in Section 15-172 or the Senior
14 Citizens Tax Freeze Homestead Exemption provided in Section
15 15-173 during the previous assessment year and qualifies for
16 the exemption, the Chief County Assessment Officer pursuant to
17 this Section, or the Board of Review pursuant to Section 16-75,
18 shall issue a certificate of error setting forth the correct
19 taxable valuation of the property. The certificate, when
20 properly endorsed by the majority of the board of review,
21 showing their concurrence, and not otherwise, may be used in
22 evidence in any court of competent jurisdiction, and when so
23 introduced in evidence, shall become a part of the court record
24 and shall not be removed from the files except on an order of
25 the court.

26 (Source: P.A. 90-552, eff. 12-12-97; 91-377, eff. 7-30-99.)

27 (35 ILCS 200/15-10)

28 Sec. 15-10. Exempt property; procedures for certification.
29 All property granted an exemption by the Department pursuant to
30 the requirements of Section 15-5 and described in the Sections
31 following Section 15-30 and preceding Section 16-5, to the
32 extent therein limited, is exempt from taxation. In order to
33 maintain that exempt status, the titleholder or the owner of
34 the beneficial interest of any property that is exempt must
35 file with the chief county assessment officer, on or before

1 January 31 of each year (May 31 in the case of property
2 exempted by Section 15-170), an affidavit stating whether there
3 has been any change in the ownership or use of the property or
4 the status of the owner-resident, or that a disabled veteran
5 who qualifies under Section 15-165 owned and used the property
6 as of January 1 of that year. The nature of any change shall be
7 stated in the affidavit. Failure to file an affidavit shall, in
8 the discretion of the assessment officer, constitute cause to
9 terminate the exemption of that property, notwithstanding any
10 other provision of this Code. Owners of 5 or more such exempt
11 parcels within a county may file a single annual affidavit in
12 lieu of an affidavit for each parcel. The assessment officer,
13 upon request, shall furnish an affidavit form to the owners, in
14 which the owner may state whether there has been any change in
15 the ownership or use of the property or status of the owner or
16 resident as of January 1 of that year. The owner of 5 or more
17 exempt parcels shall list all the properties giving the same
18 information for each parcel as required of owners who file
19 individual affidavits.

20 However, titleholders or owners of the beneficial interest
21 in any property exempted under any of the following provisions
22 are not required to submit an annual filing under this Section:

23 (1) Section 15-45 (burial grounds) in counties of less
24 than 3,000,000 inhabitants and owned by a not-for-profit
25 organization.

26 (2) Section 15-40.

27 (3) Section 15-50 (United States property).

28 If there is a change in use or ownership, however, notice
29 must be filed pursuant to Section 15-20.

30 An application for homestead exemptions shall be filed as
31 provided in Section 15-170 (senior citizens homestead
32 exemption), Section 15-172 (senior citizens assessment freeze
33 homestead exemption), Section 15-173 (senior citizens tax
34 freeze homestead exemption), and Section 15-175 (general
35 homestead exemption), respectively.

36 (Source: P.A. 92-333, eff. 8-10-01; 92-729, eff. 7-25-02.)

1 (35 ILCS 200/15-170)

2 Sec. 15-170. Senior Citizens Homestead Exemption.
3 Beginning with taxable year 2004, a property eligible for the
4 exemption under Section 15-173 is not eligible for the
5 exemption under this Section.

6 An annual homestead exemption limited, except as described
7 here with relation to cooperatives or life care facilities, to
8 a maximum reduction set forth below from the property's value,
9 as equalized or assessed by the Department, is granted for
10 property that is occupied as a residence by a person 65 years
11 of age or older who is liable for paying real estate taxes on
12 the property and is an owner of record of the property or has a
13 legal or equitable interest therein as evidenced by a written
14 instrument, except for a leasehold interest, other than a
15 leasehold interest of land on which a single family residence
16 is located, which is occupied as a residence by a person 65
17 years or older who has an ownership interest therein, legal,
18 equitable or as a lessee, and on which he or she is liable for
19 the payment of property taxes. The maximum reduction shall be
20 \$2,500 in counties with 3,000,000 or more inhabitants and
21 \$2,000 in all other counties. For land improved with an
22 apartment building owned and operated as a cooperative, the
23 maximum reduction from the value of the property, as equalized
24 by the Department, shall be multiplied by the number of
25 apartments or units occupied by a person 65 years of age or
26 older who is liable, by contract with the owner or owners of
27 record, for paying property taxes on the property and is an
28 owner of record of a legal or equitable interest in the
29 cooperative apartment building, other than a leasehold
30 interest. For land improved with a life care facility, the
31 maximum reduction from the value of the property, as equalized
32 by the Department, shall be multiplied by the number of
33 apartments or units occupied by persons 65 years of age or
34 older, irrespective of any legal, equitable, or leasehold
35 interest in the facility, who are liable, under a contract with

1 the owner or owners of record of the facility, for paying
2 property taxes on the property. In a cooperative or a life care
3 facility where a homestead exemption has been granted, the
4 cooperative association or the management firm of the
5 cooperative or facility shall credit the savings resulting from
6 that exemption only to the apportioned tax liability of the
7 owner or resident who qualified for the exemption. Any person
8 who willfully refuses to so credit the savings shall be guilty
9 of a Class B misdemeanor. Under this Section and Section
10 15-175, "life care facility" means a facility as defined in
11 Section 2 of the Life Care Facilities Act, with which the
12 applicant for the homestead exemption has a life care contract
13 as defined in that Act.

14 When a homestead exemption has been granted under this
15 Section and the person qualifying subsequently becomes a
16 resident of a facility licensed under the Nursing Home Care
17 Act, the exemption shall continue so long as the residence
18 continues to be occupied by the qualifying person's spouse if
19 the spouse is 65 years of age or older, or if the residence
20 remains unoccupied but is still owned by the person qualified
21 for the homestead exemption.

22 A person who will be 65 years of age during the current
23 assessment year shall be eligible to apply for the homestead
24 exemption during that assessment year. Application shall be
25 made during the application period in effect for the county of
26 his residence.

27 Beginning with assessment year 2003, for taxes payable in
28 2004, property that is first occupied as a residence after
29 January 1 of any assessment year by a person who is eligible
30 for the senior citizens homestead exemption under this Section
31 must be granted a pro-rata exemption for the assessment year.
32 The amount of the pro-rata exemption is the exemption allowed
33 in the county under this Section divided by 365 and multiplied
34 by the number of days during the assessment year the property
35 is occupied as a residence by a person eligible for the
36 exemption under this Section. The chief county assessment

1 officer must adopt reasonable procedures to establish
2 eligibility for this pro-rata exemption.

3 The assessor or chief county assessment officer may
4 determine the eligibility of a life care facility to receive
5 the benefits provided by this Section, by affidavit,
6 application, visual inspection, questionnaire or other
7 reasonable methods in order to insure that the tax savings
8 resulting from the exemption are credited by the management
9 firm to the apportioned tax liability of each qualifying
10 resident. The assessor may request reasonable proof that the
11 management firm has so credited the exemption.

12 The chief county assessment officer of each county with
13 less than 3,000,000 inhabitants shall provide to each person
14 allowed a homestead exemption under this Section a form to
15 designate any other person to receive a duplicate of any notice
16 of delinquency in the payment of taxes assessed and levied
17 under this Code on the property of the person receiving the
18 exemption. The duplicate notice shall be in addition to the
19 notice required to be provided to the person receiving the
20 exemption, and shall be given in the manner required by this
21 Code. The person filing the request for the duplicate notice
22 shall pay a fee of \$5 to cover administrative costs to the
23 supervisor of assessments, who shall then file the executed
24 designation with the county collector. Notwithstanding any
25 other provision of this Code to the contrary, the filing of
26 such an executed designation requires the county collector to
27 provide duplicate notices as indicated by the designation. A
28 designation may be rescinded by the person who executed such
29 designation at any time, in the manner and form required by the
30 chief county assessment officer.

31 The assessor or chief county assessment officer may
32 determine the eligibility of residential property to receive
33 the homestead exemption provided by this Section by
34 application, visual inspection, questionnaire or other
35 reasonable methods. The determination shall be made in
36 accordance with guidelines established by the Department.

1 In counties with less than 3,000,000 inhabitants, the
2 county board may by resolution provide that if a person has
3 been granted a homestead exemption under this Section, the
4 person qualifying need not reapply for the exemption.

5 In counties with less than 3,000,000 inhabitants, if the
6 assessor or chief county assessment officer requires annual
7 application for verification of eligibility for an exemption
8 once granted under this Section, the application shall be
9 mailed to the taxpayer.

10 The assessor or chief county assessment officer shall
11 notify each person who qualifies for an exemption under this
12 Section that the person may also qualify for deferral of real
13 estate taxes under the Senior Citizens Real Estate Tax Deferral
14 Act. The notice shall set forth the qualifications needed for
15 deferral of real estate taxes, the address and telephone number
16 of county collector, and a statement that applications for
17 deferral of real estate taxes may be obtained from the county
18 collector.

19 Notwithstanding Sections 6 and 8 of the State Mandates Act,
20 no reimbursement by the State is required for the
21 implementation of any mandate created by this Section.

22 (Source: P.A. 92-196, eff. 1-1-02; 93-511, eff. 8-11-03.)

23 (35 ILCS 200/15-172)

24 Sec. 15-172. Senior Citizens Assessment Freeze Homestead
25 Exemption. Beginning with taxable year 2004, a property
26 eligible for the exemption under Section 15-173 is not eligible
27 for the exemption under this Section.

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

30 (b) As used in this Section:

31 "Applicant" means an individual who has filed an
32 application under this Section.

33 "Base amount" means the base year equalized assessed value
34 of the residence plus the first year's equalized assessed value
35 of any added improvements which increased the assessed value of

1 the residence after the base year.

2 "Base year" means the taxable year prior to the taxable
3 year for which the applicant first qualifies and applies for
4 the exemption provided that in the prior taxable year the
5 property was improved with a permanent structure that was
6 occupied as a residence by the applicant who was liable for
7 paying real property taxes on the property and who was either
8 (i) an owner of record of the property or had legal or
9 equitable interest in the property as evidenced by a written
10 instrument or (ii) had a legal or equitable interest as a
11 lessee in the parcel of property that was single family
12 residence. If in any subsequent taxable year for which the
13 applicant applies and qualifies for the exemption the equalized
14 assessed value of the residence is less than the equalized
15 assessed value in the existing base year (provided that such
16 equalized assessed value is not based on an assessed value that
17 results from a temporary irregularity in the property that
18 reduces the assessed value for one or more taxable years), then
19 that subsequent taxable year shall become the base year until a
20 new base year is established under the terms of this paragraph.
21 For taxable year 1999 only, the Chief County Assessment Officer
22 shall review (i) all taxable years for which the applicant
23 applied and qualified for the exemption and (ii) the existing
24 base year. The assessment officer shall select as the new base
25 year the year with the lowest equalized assessed value. An
26 equalized assessed value that is based on an assessed value
27 that results from a temporary irregularity in the property that
28 reduces the assessed value for one or more taxable years shall
29 not be considered the lowest equalized assessed value. The
30 selected year shall be the base year for taxable year 1999 and
31 thereafter until a new base year is established under the terms
32 of this paragraph.

33 "Chief County Assessment Officer" means the County
34 Assessor or Supervisor of Assessments of the county in which
35 the property is located.

36 "Equalized assessed value" means the assessed value as

1 equalized by the Illinois Department of Revenue.

2 "Household" means the applicant, the spouse of the
3 applicant, and all persons using the residence of the applicant
4 as their principal place of residence.

5 "Household income" means the combined income of the members
6 of a household for the calendar year preceding the taxable
7 year.

8 "Income" has the same meaning as provided in Section 3.07
9 of the Senior Citizens and Disabled Persons Property Tax Relief
10 and Pharmaceutical Assistance Act, except that, beginning in
11 assessment year 2001, "income" does not include veteran's
12 benefits.

13 "Internal Revenue Code of 1986" means the United States
14 Internal Revenue Code of 1986 or any successor law or laws
15 relating to federal income taxes in effect for the year
16 preceding the taxable year.

17 "Life care facility that qualifies as a cooperative" means
18 a facility as defined in Section 2 of the Life Care Facilities
19 Act.

20 "Residence" means the principal dwelling place and
21 appurtenant structures used for residential purposes in this
22 State occupied on January 1 of the taxable year by a household
23 and so much of the surrounding land, constituting the parcel
24 upon which the dwelling place is situated, as is used for
25 residential purposes. If the Chief County Assessment Officer
26 has established a specific legal description for a portion of
27 property constituting the residence, then that portion of
28 property shall be deemed the residence for the purposes of this
29 Section.

30 "Taxable year" means the calendar year during which ad
31 valorem property taxes payable in the next succeeding year are
32 levied.

33 (c) Beginning in taxable year 1994, a senior citizens
34 assessment freeze homestead exemption is granted for real
35 property that is improved with a permanent structure that is
36 occupied as a residence by an applicant who (i) is 65 years of

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

17 The amount of this exemption shall be the equalized
18 assessed value of the residence in the taxable year for which
19 application is made minus the base amount.

20 When the applicant is a surviving spouse of an applicant
21 for a prior year for the same residence for which an exemption
22 under this Section has been granted, the base year and base
23 amount for that residence are the same as for the applicant for
24 the prior year.

25 Each year at the time the assessment books are certified to
26 the County Clerk, the Board of Review or Board of Appeals shall
27 give to the County Clerk a list of the assessed values of
28 improvements on each parcel qualifying for this exemption that
29 were added after the base year for this parcel and that
30 increased the assessed value of the property.

31 In the case of land improved with an apartment building
32 owned and operated as a cooperative or a building that is a
33 life care facility that qualifies as a cooperative, the maximum
34 reduction from the equalized assessed value of the property is
35 limited to the sum of the reductions calculated for each unit
36 occupied as a residence by a person or persons 65 years of age

1 or older with a household income of \$35,000 or less prior to
2 taxable year 1999 or \$40,000 or less in taxable year 1999 and
3 thereafter who is liable, by contract with the owner or owners
4 of record, for paying real property taxes on the property and
5 who is an owner of record of a legal or equitable interest in
6 the cooperative apartment building, other than a leasehold
7 interest. In the instance of a cooperative where a homestead
8 exemption has been granted under this Section, the cooperative
9 association or its management firm shall credit the savings
10 resulting from that exemption only to the apportioned tax
11 liability of the owner who qualified for the exemption. Any
12 person who willfully refuses to credit that savings to an owner
13 who qualifies for the exemption is guilty of a Class B
14 misdemeanor.

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

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

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

34 For taxable year 1994 only, in counties having less than
35 3,000,000 inhabitants, to receive the exemption, a person shall
36 submit an application by February 15, 1995 to the Chief County

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

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

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

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

23 In counties having less than 3,000,000 inhabitants, if an
24 applicant was denied an exemption in taxable year 1994 and the
25 denial occurred due to an error on the part of an assessment
26 official, or his or her agent or employee, then beginning in
27 taxable year 1997 the applicant's base year, for purposes of
28 determining the amount of the exemption, shall be 1993 rather
29 than 1994. In addition, in taxable year 1997, the applicant's
30 exemption shall also include an amount equal to (i) the amount
31 of any exemption denied to the applicant in taxable year 1995
32 as a result of using 1994, rather than 1993, as the base year,
33 (ii) the amount of any exemption denied to the applicant in
34 taxable year 1996 as a result of using 1994, rather than 1993,
35 as the base year, and (iii) the amount of the exemption
36 erroneously denied for taxable year 1994.

1 For purposes of this Section, a person who will be 65 years
2 of age during the current taxable year shall be eligible to
3 apply for the homestead exemption during that taxable year.
4 Application shall be made during the application period in
5 effect for the county of his or her residence.

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

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

27 Nothing contained in this Section shall prevent the
28 Director or chief county assessment officer from publishing or
29 making available reasonable statistics concerning the
30 operation of the exemption contained in this Section in which
31 the contents of claims are grouped into aggregates in such a
32 way that information contained in any individual claim shall
33 not be disclosed.

34 (d) Each Chief County Assessment Officer shall annually
35 publish a notice of availability of the exemption provided
36 under this Section. The notice shall be published at least 60

1 days but no more than 75 days prior to the date on which the
2 application must be submitted to the Chief County Assessment
3 Officer of the county in which the property is located. The
4 notice shall appear in a newspaper of general circulation in
5 the county.

6 (Source: P.A. 90-14, eff. 7-1-97; 90-204, eff. 7-25-97; 90-523,
7 eff. 11-13-97; 90-524, eff. 1-1-98; 90-531, eff. 1-1-98;
8 90-655, eff. 7-30-98; 91-45, eff. 6-30-99; 91-56, eff. 6-30-99;
9 91-819, eff. 6-13-00.)

10 (35 ILCS 200/15-173 new)

11 Sec. 15-173. Senior Citizens Tax Freeze Homestead
12 Exemption.

13 (a) This Section may be cited as the Senior Citizens Tax
14 Freeze Homestead Exemption.

15 (b) As used in this Section:

16 "Applicant" means an individual who has filed an
17 application under this Section.

18 "Base amount" means the base year property tax bill for the
19 residence plus any increase in the property tax bill due to any
20 added improvements that increased the assessed value of the
21 residence after the base year.

22 "Base year" means the taxable year prior to the taxable
23 year for which the applicant first qualifies and applies for
24 the exemption under this Section or Section 15-172, whichever
25 is earlier, provided that in the prior taxable year the
26 property was improved with a permanent structure that was
27 occupied as a residence by the applicant who was liable for
28 paying real property taxes on the property and who was either
29 (i) an owner of record of the property or had legal or
30 equitable interest in the property as evidenced by a written
31 instrument or (ii) had a legal or equitable interest as a
32 lessee in the parcel of property that was single family
33 residence. If in any subsequent taxable year for which the
34 applicant applies and qualifies for the exemption the property
35 tax bill for the residence would be less than the property tax

1 bill in the existing base year (provided that the reduced
2 property tax bill is not based on an assessed value that
3 results from a temporary irregularity in the property that
4 reduces the assessed value for one or more taxable years), then
5 that subsequent taxable year shall become the base year until a
6 new base year is established under the terms of this paragraph.

7 "Chief County Assessment Officer" means the County
8 Assessor or Supervisor of Assessments of the county in which
9 the property is located.

10 "Equalized assessed value" means the assessed value as
11 equalized by the Illinois Department of Revenue.

12 "Household" means the applicant, the spouse of the
13 applicant, and all persons using the residence of the applicant
14 as their principal place of residence.

15 "Life care facility that qualifies as a cooperative" means
16 a facility as defined in Section 2 of the Life Care Facilities
17 Act.

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

28 "Taxable year" means the calendar year during which ad
29 valorem property taxes payable in the next succeeding year are
30 levied.

31 (c) Beginning in taxable year 2004, a senior citizens tax
32 freeze homestead exemption is granted for real property that is
33 improved with a permanent structure that is occupied as a
34 residence by an applicant who (i) is 65 years of age or older
35 during the taxable year, (ii) has lived in the residence for at
36 least 20 years on January 1 of the taxable year for which the

1 exemption applies, (iii) is liable for paying real property
2 taxes on the property, and (iv) is an owner of record of the
3 property or has a legal or equitable interest in the property
4 as evidenced by a written instrument. This homestead exemption
5 shall also apply to a leasehold interest in a parcel of
6 property improved with a permanent structure that is a single
7 family residence that is occupied as a residence by a person
8 who (i) is 65 years of age or older during the taxable year,
9 (ii) has lived in the residence for at least 20 years on
10 January 1 of the taxable year for which the exemption applies,
11 (iii) has a legal or equitable ownership interest in the
12 property as lessee, and (iv) is liable for the payment of real
13 property taxes on that property.

14 The amount of this exemption shall be what the property tax
15 bill for the residence would be in the taxable year for which
16 application is made minus the base amount.

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

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

28 In the case of land improved with an apartment building
29 owned and operated as a cooperative or a building that is a
30 life care facility that qualifies as a cooperative, the maximum
31 reduction in the property tax bill for the property is limited
32 to the sum of the reductions calculated for each unit occupied
33 as a residence by a person or persons 65 years of age or older
34 who is liable, by contract with the owner or owners of record,
35 for paying real property taxes on the property and who is an
36 owner of record of a legal or equitable interest in the

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

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

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

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

28 In counties having 3,000,000 or more inhabitants, to
29 receive the exemption, a person may submit an application to
30 the Chief County Assessment Officer of the county in which the
31 property is located during such period as may be specified by
32 the Chief County Assessment Officer. The Chief County
33 Assessment Officer in counties of 3,000,000 or more inhabitants
34 shall annually give notice of the application period by mail or
35 by publication. In counties having less than 3,000,000
36 inhabitants, to receive the exemption, a person shall submit an

1 application by July 1 of each taxable year to the Chief County
2 Assessment Officer of the county in which the property is
3 located. A county may, by ordinance, establish a date for
4 submission of applications that is different than July 1. The
5 applicant shall submit with the application an affidavit of the
6 applicant's age, marital status (and if married the name and
7 address of the applicant's spouse, if known), and principal
8 dwelling place of members of the household on January 1 of the
9 taxable year. The Department shall establish, by rule, a method
10 for verifying the accuracy of affidavits filed by applicants
11 under this Section. The applications shall be clearly marked as
12 applications for the Senior Citizens Tax Freeze Homestead
13 Exemption.

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

28 For purposes of this Section, a person who will be 65 years
29 of age during the current taxable year shall be eligible to
30 apply for the homestead exemption under this Section during
31 that taxable year. Application shall be made during the
32 application period in effect for the county of his or her
33 residence.

34 The Chief County Assessment Officer may determine the
35 eligibility of a life care facility that qualifies as a
36 cooperative to receive the benefits provided by this Section by

1 use of an affidavit, application, visual inspection,
2 questionnaire, or other reasonable method in order to insure
3 that the tax savings resulting from the exemption are credited
4 by the management firm to the apportioned tax liability of each
5 qualifying resident. The Chief County Assessment Officer may
6 request reasonable proof that the management firm has so
7 credited that exemption.

8 Except as provided in this Section, all information
9 received by the chief county assessment officer or the
10 Department from applications filed under this Section, or from
11 any investigation conducted under the provisions of this
12 Section, shall be confidential, except for official purposes or
13 pursuant to official procedures for collection of any State or
14 local tax or enforcement of any civil or criminal penalty or
15 sanction imposed by this Act or by any statute or ordinance
16 imposing a State or local tax. Any person who divulges any such
17 information in any manner, except in accordance with a proper
18 judicial order, is guilty of a Class A misdemeanor.

19 Nothing contained in this Section shall prevent the
20 Director or chief county assessment officer from publishing or
21 making available reasonable statistics concerning the
22 operation of the exemption contained in this Section in which
23 the contents of claims are grouped into aggregates in such a
24 way that information contained in any individual claim shall
25 not be disclosed.

26 (d) Each Chief County Assessment Officer shall annually
27 publish a notice of availability of the exemption provided
28 under this Section. The notice shall be published at least 60
29 days but no more than 75 days prior to the date on which the
30 application must be submitted to the Chief County Assessment
31 Officer of the county in which the property is located. The
32 notice shall appear in a newspaper of general circulation in
33 the county.

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

1 (35 ILCS 200/20-178)

2 Sec. 20-178. Certificate of error; refund; interest. When
3 the county collector makes any refunds due on certificates of
4 error issued under Sections 14-15 through 14-25 that have been
5 either certified or adjudicated, the county collector shall pay
6 the taxpayer interest on the amount of the refund at the rate
7 of 0.5% per month.

8 No interest shall be due under this Section for any time
9 prior to 60 days after the effective date of this amendatory
10 Act of the 91st General Assembly. For certificates of error
11 issued prior to the effective date of this amendatory Act of
12 the 91st General Assembly, the county collector shall pay the
13 taxpayer interest from 60 days after the effective date of this
14 amendatory Act of the 91st General Assembly until the date the
15 refund is paid. For certificates of error issued on or after
16 the effective date of this amendatory Act of the 91st General
17 Assembly, interest shall be paid from 60 days after the
18 certificate of error is issued by the chief county assessment
19 officer to the date the refund is made. To cover the cost of
20 interest, the county collector shall proportionately reduce
21 the distribution of taxes collected for each taxing district in
22 which the property is situated.

23 This Section shall not apply to any certificate of error
24 granting a homestead exemption under Section 15-170, 15-172,
25 15-173, or 15-175.

26 (Source: P.A. 91-393, eff. 7-30-99.)

27 Section 90. The State Mandates Act is amended by adding
28 Section 8.28 as follows:

29 (30 ILCS 805/8.28 new)

30 Sec. 8.28. Exempt mandate. Notwithstanding Sections 6 and
31 8 of this Act, no reimbursement by the State is required for
32 the implementation of any mandate created by the Senior
33 Citizens Tax Freeze Homestead Exemption under Section 15-173 of

1 the Property Tax Code.

2 Section 99. Effective date. This Act takes effect upon
3 becoming law.