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1 AMENDMENT TO SENATE BILL 1498

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1498, AS AMENDED, by  
3 replacing everything after the enacting clause with the  
4 following:

5 "Section 5. The Economic Development Area Tax Increment  
6 Allocation Act is amended by changing Section 6 as follows:

7 (20 ILCS 620/6) (from Ch. 67 1/2, par. 1006)

8 Sec. 6. Filing with county clerk; certification of initial  
9 equalized assessed value.

10 (a) The municipality shall file a certified copy of any  
11 ordinance authorizing tax increment allocation financing for  
12 an economic development project area with the county clerk, and  
13 the county clerk shall immediately thereafter determine (1) the  
14 most recently ascertained equalized assessed value of each lot,  
15 block, tract or parcel of real property within the economic  
16 development project area from which shall be deducted the  
17 homestead exemptions provided by Sections 15-170, ~~and~~ 15-175,  
18 and 15-176 of the Property Tax Code, which value shall be the  
19 "initial equalized assessed value" of each such piece of  
20 property, and (2) the total equalized assessed value of all  
21 taxable real property within the economic development project  
22 area by adding together the most recently ascertained equalized  
23 assessed value of each taxable lot, block, tract, or parcel of  
24 real property within such economic development project area,

1 from which shall be deducted the homestead exemptions provided  
2 by Sections 15-170, ~~and 15-175,~~ and 15-176 of the Property Tax  
3 Code, and shall certify such amount as the "total initial  
4 equalized assessed value" of the taxable real property within  
5 the economic development project area.

6 (b) After the county clerk has certified the "total initial  
7 equalized assessed value" of the taxable real property in the  
8 economic development project area, then in respect to every  
9 taxing district containing an economic development project  
10 area, the county clerk or any other official required by law to  
11 ascertain the amount of the equalized assessed value of all  
12 taxable property within that taxing district for the purpose of  
13 computing the rate per cent of tax to be extended upon taxable  
14 property within that taxing district, shall in every year that  
15 tax increment allocation financing is in effect ascertain the  
16 amount of value of taxable property in an economic development  
17 project area by including in that amount the lower of the  
18 current equalized assessed value or the certified "total  
19 initial equalized assessed value" of all taxable real property  
20 in such area. The rate per cent of tax determined shall be  
21 extended to the current equalized assessed value of all  
22 property in the economic development project area in the same  
23 manner as the rate per cent of tax is extended to all other  
24 taxable property in the taxing district. The method of  
25 allocating taxes established under this Section shall  
26 terminate when the municipality adopts an ordinance dissolving  
27 the special tax allocation fund for the economic development  
28 project area, terminating the economic development project  
29 area, and terminating the use of tax increment allocation  
30 financing for the economic development project area. This Act  
31 shall not be construed as relieving property owners within an  
32 economic development project area from paying a uniform rate of  
33 taxes upon the current equalized assessed value of their  
34 taxable property as provided in the Property Tax Code.

1 (Source: P.A. 88-670, eff. 12-2-94.)

2 Section 10. The Property Tax Code is amended by changing  
3 Sections 14-15, 15-10, 15-170, 15-175, and 20-178 and by adding  
4 Section 15-176 as follows:

5 (35 ILCS 200/14-15)

6 Sec. 14-15. Certificate of error; counties of 3,000,000 or  
7 more.

8 (a) In counties with 3,000,000 or more inhabitants, if,  
9 after the assessment is certified pursuant to Section 16-150,  
10 but subject to the limitations of subsection (c) of this  
11 Section, the county assessor discovers an error or mistake in  
12 the assessment, the assessor shall execute a certificate  
13 setting forth the nature and cause of the error. The  
14 certificate when endorsed by the county assessor, or when  
15 endorsed by the county assessor and board of appeals (until the  
16 first Monday in December 1998 and the board of review beginning  
17 the first Monday in December 1998 and thereafter) where the  
18 certificate is executed for any assessment which was the  
19 subject of a complaint filed in the board of appeals (until the  
20 first Monday in December 1998 and the board of review beginning  
21 the first Monday in December 1998 and thereafter) for the tax  
22 year for which the certificate is issued, may, either be  
23 certified according to the procedure authorized by this Section  
24 or be presented and received in evidence in any court of  
25 competent jurisdiction. Certification is authorized, at the  
26 discretion of the county assessor, for: (1) certificates of  
27 error allowing homestead exemptions pursuant to Sections  
28 15-170, 15-172, ~~and~~ 15-175, and 15-176; (2) certificates of  
29 error on residential property of 6 units or less; (3)  
30 certificates of error allowing exemption of the property  
31 pursuant to Section 14-25; and (4) other certificates of error  
32 reducing assessed value by less than \$100,000. Any certificate

1 of error not certified shall be presented to the court. The  
2 county assessor shall develop reasonable procedures for the  
3 filing and processing of certificates of error. Prior to the  
4 certification or presentation to the court, the county assessor  
5 or his or her designee shall execute and include in the  
6 certificate of error a statement attesting that all procedural  
7 requirements pertaining to the issuance of the certificate of  
8 error have been met and that in fact an error exists. When so  
9 introduced in evidence such certificate shall become a part of  
10 the court records, and shall not be removed from the files  
11 except upon the order of the court.

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

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

33 A certificate of error certified under this Section shall  
34 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

1 as to that year's taxes, and the warrant books and judgment  
2 books shall be marked to reflect that the judgment or  
3 forfeiture has been vacated.

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

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

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

31 (e) The changes made by this amendatory Act of the 91st  
32 General Assembly apply to certificates of error issued before,  
33 on, and after the effective date of this amendatory Act of the  
34 91st General Assembly.

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

3 (35 ILCS 200/15-10)

4 Sec. 15-10. Exempt property; procedures for certification.  
5 All property granted an exemption by the Department pursuant to  
6 the requirements of Section 15-5 and described in the Sections  
7 following Section 15-30 and preceding Section 16-5, to the  
8 extent therein limited, is exempt from taxation. In order to  
9 maintain that exempt status, the titleholder or the owner of  
10 the beneficial interest of any property that is exempt must  
11 file with the chief county assessment officer, on or before  
12 January 31 of each year (May 31 in the case of property  
13 exempted by Section 15-170), an affidavit stating whether there  
14 has been any change in the ownership or use of the property or  
15 the status of the owner-resident, or that a disabled veteran  
16 who qualifies under Section 15-165 owned and used the property  
17 as of January 1 of that year. The nature of any change shall be  
18 stated in the affidavit. Failure to file an affidavit shall, in  
19 the discretion of the assessment officer, constitute cause to  
20 terminate the exemption of that property, notwithstanding any  
21 other provision of this Code. Owners of 5 or more such exempt  
22 parcels within a county may file a single annual affidavit in  
23 lieu of an affidavit for each parcel. The assessment officer,  
24 upon request, shall furnish an affidavit form to the owners, in  
25 which the owner may state whether there has been any change in  
26 the ownership or use of the property or status of the owner or  
27 resident as of January 1 of that year. The owner of 5 or more  
28 exempt parcels shall list all the properties giving the same  
29 information for each parcel as required of owners who file  
30 individual affidavits.

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

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

4 (2) Section 15-40.

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

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

8 An application for homestead exemptions shall be filed as  
9 provided in Section 15-170 (senior citizens homestead  
10 exemption), Section 15-172 (senior citizens assessment freeze  
11 homestead exemption), and Sections ~~Section~~ 15-175 and 15-176  
12 (general homestead exemption), respectively.

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

14 (35 ILCS 200/15-170)

15 Sec. 15-170. Senior Citizens Homestead Exemption. An  
16 annual homestead exemption limited, except as described here  
17 with relation to cooperatives or life care facilities, to a  
18 maximum reduction set forth below from the property's value, as  
19 equalized or assessed by the Department, is granted for  
20 property that is occupied as a residence by a person 65 years  
21 of age or older who is liable for paying real estate taxes on  
22 the property and is an owner of record of the property or has a  
23 legal or equitable interest therein as evidenced by a written  
24 instrument, except for a leasehold interest, other than a  
25 leasehold interest of land on which a single family residence  
26 is located, which is occupied as a residence by a person 65  
27 years or older who has an ownership interest therein, legal,  
28 equitable or as a lessee, and on which he or she is liable for  
29 the payment of property taxes. The maximum reduction shall be  
30 \$2,500 in counties with 3,000,000 or more inhabitants and  
31 \$2,000 in all other counties. For land improved with an  
32 apartment building owned and operated as a cooperative, the  
33 maximum reduction from the value of the property, as equalized



1 by the Department, shall be multiplied by the number of  
2 apartments or units occupied by a person 65 years of age or  
3 older who is liable, by contract with the owner or owners of  
4 record, for paying property taxes on the property and is an  
5 owner of record of a legal or equitable interest in the  
6 cooperative apartment building, other than a leasehold  
7 interest. For land improved with a life care facility, the  
8 maximum reduction from the value of the property, as equalized  
9 by the Department, shall be multiplied by the number of  
10 apartments or units occupied by persons 65 years of age or  
11 older, irrespective of any legal, equitable, or leasehold  
12 interest in the facility, who are liable, under a contract with  
13 the owner or owners of record of the facility, for paying  
14 property taxes on the property. In a cooperative or a life care  
15 facility where a homestead exemption has been granted, the  
16 cooperative association or the management firm of the  
17 cooperative or facility shall credit the savings resulting from  
18 that exemption only to the apportioned tax liability of the  
19 owner or resident who qualified for the exemption. Any person  
20 who willfully refuses to so credit the savings shall be guilty  
21 of a Class B misdemeanor. Under this Section and Sections  
22 ~~Section~~ 15-175 and 15-176, "life care facility" means a  
23 facility as defined in Section 2 of the Life Care Facilities  
24 Act, with which the applicant for the homestead exemption has a  
25 life care contract as defined in that Act.

26 When a homestead exemption has been granted under this  
27 Section and the person qualifying subsequently becomes a  
28 resident of a facility licensed under the Nursing Home Care  
29 Act, the exemption shall continue so long as the residence  
30 continues to be occupied by the qualifying person's spouse if  
31 the spouse is 65 years of age or older, or if the residence  
32 remains unoccupied but is still owned by the person qualified  
33 for the homestead exemption.

34 A person who will be 65 years of age during the current

1 assessment year shall be eligible to apply for the homestead  
2 exemption during that assessment year. Application shall be  
3 made during the application period in effect for the county of  
4 his residence.

5 Beginning with assessment year 2003, for taxes payable in  
6 2004, property that is first occupied as a residence after  
7 January 1 of any assessment year by a person who is eligible  
8 for the senior citizens homestead exemption under this Section  
9 must be granted a pro-rata exemption for the assessment year.  
10 The amount of the pro-rata exemption is the exemption allowed  
11 in the county under this Section divided by 365 and multiplied  
12 by the number of days during the assessment year the property  
13 is occupied as a residence by a person eligible for the  
14 exemption under this Section. The chief county assessment  
15 officer must adopt reasonable procedures to establish  
16 eligibility for this pro-rata exemption.

17 The assessor or chief county assessment officer may  
18 determine the eligibility of a life care facility to receive  
19 the benefits provided by this Section, by affidavit,  
20 application, visual inspection, questionnaire or other  
21 reasonable methods in order to insure that the tax savings  
22 resulting from the exemption are credited by the management  
23 firm to the apportioned tax liability of each qualifying  
24 resident. The assessor may request reasonable proof that the  
25 management firm has so credited the exemption.

26 The chief county assessment officer of each county with  
27 less than 3,000,000 inhabitants shall provide to each person  
28 allowed a homestead exemption under this Section a form to  
29 designate any other person to receive a duplicate of any notice  
30 of delinquency in the payment of taxes assessed and levied  
31 under this Code on the property of the person receiving the  
32 exemption. The duplicate notice shall be in addition to the  
33 notice required to be provided to the person receiving the  
34 exemption, and shall be given in the manner required by this

1 Code. The person filing the request for the duplicate notice  
2 shall pay a fee of \$5 to cover administrative costs to the  
3 supervisor of assessments, who shall then file the executed  
4 designation with the county collector. Notwithstanding any  
5 other provision of this Code to the contrary, the filing of  
6 such an executed designation requires the county collector to  
7 provide duplicate notices as indicated by the designation. A  
8 designation may be rescinded by the person who executed such  
9 designation at any time, in the manner and form required by the  
10 chief county assessment officer.

11 The assessor or chief county assessment officer may  
12 determine the eligibility of residential property to receive  
13 the homestead exemption provided by this Section by  
14 application, visual inspection, questionnaire or other  
15 reasonable methods. The determination shall be made in  
16 accordance with guidelines established by the Department.

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

21 In counties with less than 3,000,000 inhabitants, if the  
22 assessor or chief county assessment officer requires annual  
23 application for verification of eligibility for an exemption  
24 once granted under this Section, the application shall be  
25 mailed to the taxpayer.

26 The assessor or chief county assessment officer shall  
27 notify each person who qualifies for an exemption under this  
28 Section that the person may also qualify for deferral of real  
29 estate taxes under the Senior Citizens Real Estate Tax Deferral  
30 Act. The notice shall set forth the qualifications needed for  
31 deferral of real estate taxes, the address and telephone number  
32 of county collector, and a statement that applications for  
33 deferral of real estate taxes may be obtained from the county  
34 collector.

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

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

5           (35 ILCS 200/15-175)

6           Sec. 15-175. General homestead exemption. Except as  
7 provided in Section 15-176, homestead property is entitled to  
8 an annual homestead exemption limited, except as described here  
9 with relation to cooperatives, to a reduction in the equalized  
10 assessed value of homestead property equal to the increase in  
11 equalized assessed value for the current assessment year above  
12 the equalized assessed value of the property for 1977, up to  
13 the maximum reduction set forth below. If however, the 1977  
14 equalized assessed value upon which taxes were paid is  
15 subsequently determined by local assessing officials, the  
16 Property Tax Appeal Board, or a court to have been excessive,  
17 the equalized assessed value which should have been placed on  
18 the property for 1977 shall be used to determine the amount of  
19 the exemption.

20           Except as provided in Section 15-176, the maximum reduction  
21 shall be \$4,500 in counties with 3,000,000 or more inhabitants  
22 and \$3,500 in all other counties.

23           In counties with fewer than 3,000,000 inhabitants, if,  
24 based on the most recent assessment, the equalized assessed  
25 value of the homestead property for the current assessment year  
26 is greater than the equalized assessed value of the property  
27 for 1977, the owner of the property shall automatically receive  
28 the exemption granted under this Section in an amount equal to  
29 the increase over the 1977 assessment up to the maximum  
30 reduction set forth in this Section.

31           If in any assessment year beginning with the 2000  
32 assessment year, homestead property has a pro-rata valuation  
33 under Section 9-180 resulting in an increase in the assessed

1 valuation, a reduction in equalized assessed valuation equal to  
2 the increase in equalized assessed value of the property for  
3 the year of the pro-rata valuation above the equalized assessed  
4 value of the property for 1977 shall be applied to the property  
5 on a proportionate basis for the period the property qualified  
6 as homestead property during the assessment year. The maximum  
7 proportionate homestead exemption shall not exceed the maximum  
8 homestead exemption allowed in the county under this Section  
9 divided by 365 and multiplied by the number of days the  
10 property qualified as homestead property.

11 "Homestead property" under this Section includes  
12 residential property that is occupied by its owner or owners as  
13 his or their principal dwelling place, or that is a leasehold  
14 interest on which a single family residence is situated, which  
15 is occupied as a residence by a person who has an ownership  
16 interest therein, legal or equitable or as a lessee, and on  
17 which the person is liable for the payment of property taxes.  
18 For land improved with an apartment building owned and operated  
19 as a cooperative or a building which is a life care facility as  
20 defined in Section 15-170 and considered to be a cooperative  
21 under Section 15-170, the maximum reduction from the equalized  
22 assessed value shall be limited to the increase in the value  
23 above the equalized assessed value of the property for 1977, up  
24 to the maximum reduction set forth above, multiplied by the  
25 number of apartments or units occupied by a person or persons  
26 who is liable, by contract with the owner or owners of record,  
27 for paying property taxes on the property and is an owner of  
28 record of a legal or equitable interest in the cooperative  
29 apartment building, other than a leasehold interest. For  
30 purposes of this Section, the term "life care facility" has the  
31 meaning stated in Section 15-170.

32 In a cooperative where a homestead exemption has been  
33 granted, the cooperative association or its management firm  
34 shall credit the savings resulting from that exemption only to

1 the apportioned tax liability of the owner who qualified for  
2 the exemption. Any person who willfully refuses to so credit  
3 the savings shall be guilty of a Class B misdemeanor.

4 Where married persons maintain and reside in separate  
5 residences qualifying as homestead property, each residence  
6 shall receive 50% of the total reduction in equalized assessed  
7 valuation provided by this Section.

8 In counties with more than 3,000,000 inhabitants, the  
9 assessor or chief county assessment officer may determine the  
10 eligibility of residential property to receive the homestead  
11 exemption by application, visual inspection, questionnaire or  
12 other reasonable methods. The determination shall be made in  
13 accordance with guidelines established by the Department.

14 In counties with fewer than 3,000,000 inhabitants, in the  
15 event of a sale of homestead property the homestead exemption  
16 shall remain in effect for the remainder of the assessment year  
17 of the sale. The assessor or chief county assessment officer  
18 may require the new owner of the property to apply for the  
19 homestead exemption for the following assessment year.

20 (Source: P.A. 90-368, eff. 1-1-98; 90-552, eff. 12-12-97;  
21 90-655, eff. 7-30-98; 91-346, eff. 7-29-99.)

22 (35 ILCS 200/15-176 new)

23 Sec. 15-176. Alternative general homestead exemption.

24 (a) In counties (i) with 3,000,000 or more inhabitants or  
25 (ii) that have elected, by ordinance, to be subject to the  
26 provisions of this Section instead of the provisions of Section  
27 15-175, for the assessment years as determined under subsection  
28 (j), homestead property is entitled to an annual homestead  
29 exemption equal to a reduction in the property's equalized  
30 assessed value calculated as provided in this Section.

31 (b) As used in this Section:

32 (1) "Assessor" means the supervisor of assessments or  
33 the county assessor.

1           (2) "Adjusted homestead value" means the lesser of the  
2 following values:

3           (A) The property's base homestead value increased  
4 by 7% for each tax year after 2002 through and  
5 including the current tax year, or, if the property is  
6 sold or ownership is otherwise transferred, the  
7 property's base homestead value increased by 7% for  
8 each tax year after the year of the sale or transfer  
9 through and including the current tax year. The  
10 increase by 7% each year is an increase by 7% over the  
11 prior year.

12           (B) The property's equalized assessed value for  
13 the current tax year minus \$4,500 in Cook County and  
14 \$3,500 in all other counties.

15           (3) "Base homestead value".

16           (A) Except as provided in subdivision ((b)(3)(B),  
17 "base homestead value" means the equalized assessed  
18 value of the property for tax year 2002 prior to  
19 exemptions, minus \$4,500 in Cook County and \$3,500 in  
20 all other counties, provided that it was assessed for  
21 that year as residential property qualified for any of  
22 the homestead exemptions under Sections 15-170 through  
23 15-175 of this Code, then in force, and further  
24 provided that the property's assessment was not based  
25 on a reduced assessed value resulting from a temporary  
26 irregularity in the property for that year. Except as  
27 provided in subdivision (b)(3)(B), if the property did  
28 not have a residential equalized assessed value for tax  
29 year 2002, then "base homestead value" means the base  
30 homestead value established by the assessor under  
31 subsection (c).

32           (B) If the property is sold or ownership is  
33 otherwise transferred, "base homestead value" means  
34 the equalized assessed value of the property at the

1 time of the sale or transfer prior to exemptions, minus  
2 \$4,500 in Cook County and \$3,500 in all other counties,  
3 provided that it was assessed as residential property  
4 qualified for any of the homestead exemptions under  
5 Sections 15-170 through 15-175 of this Code, then in  
6 force, and further provided that the property's  
7 assessment was not based on a reduced assessed value  
8 resulting from a temporary irregularity in the  
9 property.

10 (4) "Current tax year" means the tax year for which the  
11 exemption under this Section is being applied.

12 (5) "Equalized assessed value" means the property's  
13 assessed value as equalized by the Department.

14 (6) "Homestead" or "homestead property" means:

15 (A) Residential property that as of January 1 of  
16 the tax year is occupied by its owner or owners as his,  
17 her, or their principal dwelling place, or that is a  
18 leasehold interest on which a single family residence  
19 is situated, that is occupied as a residence by a  
20 person who has a legal or equitable interest therein  
21 evidenced by a written instrument, as an owner or as a  
22 lessee, and on which the person is liable for the  
23 payment of property taxes. Residential units in an  
24 apartment building owned and operated as a  
25 cooperative, or as a life care facility, which are  
26 occupied by persons who hold a legal or equitable  
27 interest in the cooperative apartment building or life  
28 care facility as owners or lessees, and who are liable  
29 by contract for the payment of property taxes, shall be  
30 included within this definition of homestead property.  
31 Residential property containing 6 or fewer dwelling  
32 units shall also be included in this definition of  
33 homestead property provided that at least one such unit  
34 is occupied by the property's owner or owners as his,



1           her, or their principal dwelling place.

2           (B) A homestead includes the dwelling place,  
3           appurtenant structures, and so much of the surrounding  
4           land constituting the parcel on which the dwelling  
5           place is situated as is used for residential purposes.  
6           If the assessor has established a specific legal  
7           description for a portion of property constituting the  
8           homestead, then the homestead shall be limited to the  
9           property within that description.

10          (7) "Life care facility" means a facility as defined in  
11          Section 2 of the Life Care Facilities Act.

12          (c) If the property did not have a residential equalized  
13          assessed value for tax year 2002 as provided in subdivision  
14          (b) (3) (A) of this Section, then the assessor shall first  
15          determine an initial value for the property by comparison with  
16          assessed values for tax year 2002 of other properties having  
17          physical and economic characteristics similar to those of the  
18          subject property, so that the initial value is uniform in  
19          relation to assessed values of those other properties for tax  
20          year 2002. The product of the initial value multiplied by the  
21          2002 equalization factor for homestead properties in that  
22          county, less \$4,500 in Cook County and \$3,500 in all other  
23          counties, is the base homestead value.

24          For any tax year for which the assessor determines or  
25          adjusts an initial value and hence a base homestead value under  
26          this subsection (c), the initial value shall be subject to  
27          review by the same procedures applicable to assessed values  
28          established under this Code for that tax year.

29          (d) The base homestead value shall remain constant, except  
30          that the assessor may revise it under the following  
31          circumstances:

32                (1) If the equalized assessed value of a homestead  
33                property for the current tax year is less than the previous  
34                base homestead value for that property, then the current

1 equalized assessed value (provided it is not based on a  
2 reduced assessed value resulting from a temporary  
3 irregularity in the property) shall become the base  
4 homestead value in subsequent tax years.

5 (2) For any year in which new buildings, structures, or  
6 other improvements are constructed on the homestead  
7 property that would increase its assessed value, the  
8 assessor shall adjust the base homestead value as provided  
9 in subsection (c) of this Section with due regard to the  
10 value added by the new improvements.

11 (3) If the property is sold or ownership is otherwise  
12 transferred, the base homestead value of the property shall  
13 be adjusted as provided in subdivision (b) (3) (B).

14 (e) The amount of the exemption under this Section is the  
15 equalized assessed value of the homestead property for the  
16 current tax year, minus the adjusted homestead value, with the  
17 following exceptions:

18 (1) The exemption under this Section shall not exceed  
19 \$25,000 for any taxable year.

20 (2) In the case of homestead property that also  
21 qualifies for the exemption under Section 15-172, the  
22 property is entitled to the exemption under this Section,  
23 limited to the amount of \$4,500 in Cook County and \$3,500  
24 in all other counties.

25 (f) In the case of an apartment building owned and operated  
26 as a cooperative, or as a life care facility, that contains  
27 residential units that qualify as homestead property under this  
28 Section, the maximum cumulative exemption amount attributed to  
29 the entire building or facility shall not exceed the sum of the  
30 exemptions calculated for each qualified residential unit. The  
31 cooperative association, management firm, or other person or  
32 entity that manages or controls the cooperative apartment  
33 building or life care facility shall credit the exemption  
34 attributable to each residential unit only to the apportioned

1 tax liability of the owner or other person responsible for  
2 payment of taxes as to that unit. Any person who willfully  
3 refuses to so credit the exemption is guilty of a Class B  
4 misdemeanor.

5 (g) When married persons maintain separate residences, the  
6 exemption provided under this Section shall be claimed by only  
7 one such person and for only one residence.

8 (h) In the event of a sale or other transfer in ownership  
9 of the homestead property, the exemption under this Section  
10 shall remain in effect for the remainder of the tax year in  
11 which the sale or transfer occurs, but shall be calculated  
12 using the new base homestead value as provided in subdivision  
13 (b) (3) (B). The assessor may require the new owner of the  
14 property to apply for the exemption in the following year.

15 (i) The assessor may determine whether property qualifies  
16 as a homestead under this Section by application, visual  
17 inspection, questionnaire, or other reasonable methods. Each  
18 year, at the time the assessment books are certified to the  
19 county clerk by the board of review, the assessor shall furnish  
20 to the county clerk a list of the properties qualified for the  
21 homestead exemption under this Section. The list shall note the  
22 base homestead value of each property to be used in the  
23 calculation of the exemption for the current tax year.

24 (j) The provisions of this Section apply as follows:

25 (1) If the general assessment year for the property is  
26 2003, this Section applies for assessment years 2003, 2004,  
27 and 2005. Thereafter, the provisions of Section 15-175  
28 apply.

29 (2) If the general assessment year for the property is  
30 2004, this Section applies for assessment years 2004, 2005,  
31 and 2006. Thereafter, the provisions of Section 15-175  
32 apply.

33 (3) If the general assessment year for the property is  
34 2005, this Section applies for assessment years 2005, 2006,

1       and 2007. Thereafter, the provisions of Section 15-175  
2       apply.

3       (4) In any county other than Cook County, if the  
4       general assessment year for the property is 2006, this  
5       Section applies for assessment years 2006, 2007, and 2008.  
6       Thereafter, the provisions of Section 15-175 apply.

7       (k) Notwithstanding Sections 6 and 8 of the State Mandates  
8       Act, no reimbursement by the State is required for the  
9       implementation of any mandate created by this Section.

10       (35 ILCS 200/20-178)

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

17       No interest shall be due under this Section for any time  
18       prior to 60 days after the effective date of this amendatory  
19       Act of the 91st General Assembly. For certificates of error  
20       issued prior to the effective date of this amendatory Act of  
21       the 91st General Assembly, the county collector shall pay the  
22       taxpayer interest from 60 days after the effective date of this  
23       amendatory Act of the 91st General Assembly until the date the  
24       refund is paid. For certificates of error issued on or after  
25       the effective date of this amendatory Act of the 91st General  
26       Assembly, interest shall be paid from 60 days after the  
27       certificate of error is issued by the chief county assessment  
28       officer to the date the refund is made. To cover the cost of  
29       interest, the county collector shall proportionately reduce  
30       the distribution of taxes collected for each taxing district in  
31       which the property is situated.

32       This Section shall not apply to any certificate of error  
33       granting a homestead exemption under Section 15-170, 15-172, ~~or~~

1 15-175, or 15-176.

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

3 Section 15. The County Economic Development Project Area  
4 Property Tax Allocation Act is amended by changing Section 6 as  
5 follows:

6 (55 ILCS 85/6) (from Ch. 34, par. 7006)

7 Sec. 6. Filing with county clerk; certification of initial  
8 equalized assessed value.

9 (a) The county shall file a certified copy of any ordinance  
10 authorizing property tax allocation financing for an economic  
11 development project area with the county clerk, and the county  
12 clerk shall immediately thereafter determine (1) the most  
13 recently ascertained equalized assessed value of each lot,  
14 block, tract or parcel of real property within the economic  
15 development project area from which shall be deducted the  
16 homestead exemptions provided by Sections 15-170, ~~and~~ 15-175,  
17 and 15-176 of the Property Tax Code, which value shall be the  
18 "initial equalized assessed value" of each such piece of  
19 property, and (2) the total equalized assessed value of all  
20 taxable real property within the economic development project  
21 area by adding together the most recently ascertained equalized  
22 assessed value of each taxable lot, block, tract, or parcel of  
23 real property within such economic development project area,  
24 from which shall be deducted the homestead exemptions provided  
25 by Sections 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax  
26 Code. Upon receiving written notice from the Department of its  
27 approval and certification of such economic development  
28 project area, the county clerk shall immediately certify such  
29 amount as the "total initial equalized assessed value" of the  
30 taxable property within the economic development project area.

31 (b) After the county clerk has certified the "total initial  
32 equalized assessed value" of the taxable real property in the

1 economic development project area, then in respect to every  
2 taxing district containing an economic development project  
3 area, the county clerk or any other official required by law to  
4 ascertain the amount of the equalized assessed value of all  
5 taxable property within that taxing district for the purpose of  
6 computing the rate percent of tax to be extended upon taxable  
7 property within the taxing district, shall in every year that  
8 property tax allocation financing is in effect ascertain the  
9 amount of value of taxable property in an economic development  
10 project area by including in that amount the lower of the  
11 current equalized assessed value or the certified "total  
12 initial equalized assessed value" of all taxable real property  
13 in such area. The rate percent of tax determined shall be  
14 extended to the current equalized assessed value of all  
15 property in the economic development project area in the same  
16 manner as the rate percent of tax is extended to all other  
17 taxable property in the taxing district. The method of  
18 allocating taxes established under this Section shall  
19 terminate when the county adopts an ordinance dissolving the  
20 special tax allocation fund for the economic development  
21 project area. This Act shall not be construed as relieving  
22 property owners within an economic development project area  
23 from paying a uniform rate of taxes upon the current equalized  
24 assessed value of their taxable property as provided in the  
25 Property Tax Code.

26 (Source: P.A. 88-670, eff. 12-2-94.)

27 Section 20. The County Economic Development Project Area  
28 Tax Increment Allocation Act of 1991 is amended by changing  
29 Section 45 as follows:

30 (55 ILCS 90/45) (from Ch. 34, par. 8045)

31 Sec. 45. Filing with county clerk; certification of initial  
32 equalized assessed value.

1 (a) A county that has by ordinance approved an economic  
2 development plan, established an economic development project  
3 area, and adopted tax increment allocation financing for that  
4 area shall file certified copies of the ordinance or ordinances  
5 with the county clerk. Upon receiving the ordinance or  
6 ordinances, the county clerk shall immediately determine (i)  
7 the most recently ascertained equalized assessed value of each  
8 lot, block, tract, or parcel of real property within the  
9 economic development project area from which shall be deducted  
10 the homestead exemptions provided by Sections 15-170, ~~and~~  
11 15-175, and 15-176 of the Property Tax Code (that value being  
12 the "initial equalized assessed value" of each such piece of  
13 property) and (ii) the total equalized assessed value of all  
14 taxable real property within the economic development project  
15 area by adding together the most recently ascertained equalized  
16 assessed value of each taxable lot, block, tract, or parcel of  
17 real property within the economic development project area,  
18 from which shall be deducted the homestead exemptions provided  
19 by Sections 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax  
20 Code, and shall certify that amount as the "total initial  
21 equalized assessed value" of the taxable real property within  
22 the economic development project area.

23 (b) After the county clerk has certified the "total initial  
24 equalized assessed value" of the taxable real property in the  
25 economic development project area, then in respect to every  
26 taxing district containing an economic development project  
27 area, the county clerk or any other official required by law to  
28 ascertain the amount of the equalized assessed value of all  
29 taxable property within the taxing district for the purpose of  
30 computing the rate per cent of tax to be extended upon taxable  
31 property within the taxing district shall, in every year that  
32 tax increment allocation financing is in effect, ascertain the  
33 amount of value of taxable property in an economic development  
34 project area by including in that amount the lower of the

1 current equalized assessed value or the certified "total  
2 initial equalized assessed value" of all taxable real property  
3 in the area. The rate per cent of tax determined shall be  
4 extended to the current equalized assessed value of all  
5 property in the economic development project area in the same  
6 manner as the rate per cent of tax is extended to all other  
7 taxable property in the taxing district. The method of  
8 extending taxes established under this Section shall terminate  
9 when the county adopts an ordinance dissolving the special tax  
10 allocation fund for the economic development project area. This  
11 Act shall not be construed as relieving property owners within  
12 an economic development project area from paying a uniform rate  
13 of taxes upon the current equalized assessed value of their  
14 taxable property as provided in the Property Tax Code.

15 (Source: P.A. 87-1; 88-670, eff. 12-2-94.)

16 Section 25. The Illinois Municipal Code is amended by  
17 changing Sections 11-74.4-8, 11-74.4-9, and 11-74.6-40 as  
18 follows:

19 (65 ILCS 5/11-74.4-8) (from Ch. 24, par. 11-74.4-8)

20 Sec. 11-74.4-8. Tax increment allocation financing. A  
21 municipality may not adopt tax increment financing in a  
22 redevelopment project area after the effective date of this  
23 amendatory Act of 1997 that will encompass an area that is  
24 currently included in an enterprise zone created under the  
25 Illinois Enterprise Zone Act unless that municipality,  
26 pursuant to Section 5.4 of the Illinois Enterprise Zone Act,  
27 amends the enterprise zone designating ordinance to limit the  
28 eligibility for tax abatements as provided in Section 5.4.1 of  
29 the Illinois Enterprise Zone Act. A municipality, at the time a  
30 redevelopment project area is designated, may adopt tax  
31 increment allocation financing by passing an ordinance  
32 providing that the ad valorem taxes, if any, arising from the



1 levies upon taxable real property in such redevelopment project  
2 area by taxing districts and tax rates determined in the manner  
3 provided in paragraph (c) of Section 11-74.4-9 each year after  
4 the effective date of the ordinance until redevelopment project  
5 costs and all municipal obligations financing redevelopment  
6 project costs incurred under this Division have been paid shall  
7 be divided as follows:

8 (a) That portion of taxes levied upon each taxable lot,  
9 block, tract or parcel of real property which is attributable  
10 to the lower of the current equalized assessed value or the  
11 initial equalized assessed value of each such taxable lot,  
12 block, tract or parcel of real property in the redevelopment  
13 project area shall be allocated to and when collected shall be  
14 paid by the county collector to the respective affected taxing  
15 districts in the manner required by law in the absence of the  
16 adoption of tax increment allocation financing.

17 (b) Except from a tax levied by a township to retire bonds  
18 issued to satisfy court-ordered damages, that portion, if any,  
19 of such taxes which is attributable to the increase in the  
20 current equalized assessed valuation of each taxable lot,  
21 block, tract or parcel of real property in the redevelopment  
22 project area over and above the initial equalized assessed  
23 value of each property in the project area shall be allocated  
24 to and when collected shall be paid to the municipal treasurer  
25 who shall deposit said taxes into a special fund called the  
26 special tax allocation fund of the municipality for the purpose  
27 of paying redevelopment project costs and obligations incurred  
28 in the payment thereof. In any county with a population of  
29 3,000,000 or more that has adopted a procedure for collecting  
30 taxes that provides for one or more of the installments of the  
31 taxes to be billed and collected on an estimated basis, the  
32 municipal treasurer shall be paid for deposit in the special  
33 tax allocation fund of the municipality, from the taxes  
34 collected from estimated bills issued for property in the

1 redevelopment project area, the difference between the amount  
2 actually collected from each taxable lot, block, tract, or  
3 parcel of real property within the redevelopment project area  
4 and an amount determined by multiplying the rate at which taxes  
5 were last extended against the taxable lot, block, track, or  
6 parcel of real property in the manner provided in subsection  
7 (c) of Section 11-74.4-9 by the initial equalized assessed  
8 value of the property divided by the number of installments in  
9 which real estate taxes are billed and collected within the  
10 county; provided that the payments on or before December 31,  
11 1999 to a municipal treasurer shall be made only if each of the  
12 following conditions are met:

13 (1) The total equalized assessed value of the  
14 redevelopment project area as last determined was not less  
15 than 175% of the total initial equalized assessed value.

16 (2) Not more than 50% of the total equalized assessed  
17 value of the redevelopment project area as last determined  
18 is attributable to a piece of property assigned a single  
19 real estate index number.

20 (3) The municipal clerk has certified to the county  
21 clerk that the municipality has issued its obligations to  
22 which there has been pledged the incremental property taxes  
23 of the redevelopment project area or taxes levied and  
24 collected on any or all property in the municipality or the  
25 full faith and credit of the municipality to pay or secure  
26 payment for all or a portion of the redevelopment project  
27 costs. The certification shall be filed annually no later  
28 than September 1 for the estimated taxes to be distributed  
29 in the following year; however, for the year 1992 the  
30 certification shall be made at any time on or before March  
31 31, 1992.

32 (4) The municipality has not requested that the total  
33 initial equalized assessed value of real property be  
34 adjusted as provided in subsection (b) of Section

1 11-74.4-9.

2 The conditions of paragraphs (1) through (4) do not apply  
3 after December 31, 1999 to payments to a municipal treasurer  
4 made by a county with 3,000,000 or more inhabitants that has  
5 adopted an estimated billing procedure for collecting taxes. If  
6 a county that has adopted the estimated billing procedure makes  
7 an erroneous overpayment of tax revenue to the municipal  
8 treasurer, then the county may seek a refund of that  
9 overpayment. The county shall send the municipal treasurer a  
10 notice of liability for the overpayment on or before the  
11 mailing date of the next real estate tax bill within the  
12 county. The refund shall be limited to the amount of the  
13 overpayment.

14 It is the intent of this Division that after the effective  
15 date of this amendatory Act of 1988 a municipality's own ad  
16 valorem tax arising from levies on taxable real property be  
17 included in the determination of incremental revenue in the  
18 manner provided in paragraph (c) of Section 11-74.4-9. If the  
19 municipality does not extend such a tax, it shall annually  
20 deposit in the municipality's Special Tax Increment Fund an  
21 amount equal to 10% of the total contributions to the fund from  
22 all other taxing districts in that year. The annual 10% deposit  
23 required by this paragraph shall be limited to the actual  
24 amount of municipally produced incremental tax revenues  
25 available to the municipality from taxpayers located in the  
26 redevelopment project area in that year if: (a) the plan for  
27 the area restricts the use of the property primarily to  
28 industrial purposes, (b) the municipality establishing the  
29 redevelopment project area is a home-rule community with a 1990  
30 population of between 25,000 and 50,000, (c) the municipality  
31 is wholly located within a county with a 1990 population of  
32 over 750,000 and (d) the redevelopment project area was  
33 established by the municipality prior to June 1, 1990. This  
34 payment shall be in lieu of a contribution of ad valorem taxes

1 on real property. If no such payment is made, any redevelopment  
2 project area of the municipality shall be dissolved.

3 If a municipality has adopted tax increment allocation  
4 financing by ordinance and the County Clerk thereafter  
5 certifies the "total initial equalized assessed value as  
6 adjusted" of the taxable real property within such  
7 redevelopment project area in the manner provided in paragraph  
8 (b) of Section 11-74.4-9, each year after the date of the  
9 certification of the total initial equalized assessed value as  
10 adjusted until redevelopment project costs and all municipal  
11 obligations financing redevelopment project costs have been  
12 paid the ad valorem taxes, if any, arising from the levies upon  
13 the taxable real property in such redevelopment project area by  
14 taxing districts and tax rates determined in the manner  
15 provided in paragraph (c) of Section 11-74.4-9 shall be divided  
16 as follows:

17 (1) That portion of the taxes levied upon each taxable  
18 lot, block, tract or parcel of real property which is  
19 attributable to the lower of the current equalized assessed  
20 value or "current equalized assessed value as adjusted" or  
21 the initial equalized assessed value of each such taxable  
22 lot, block, tract, or parcel of real property existing at  
23 the time tax increment financing was adopted, minus the  
24 total current homestead exemptions provided by Sections  
25 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax Code in  
26 the redevelopment project area shall be allocated to and  
27 when collected shall be paid by the county collector to the  
28 respective affected taxing districts in the manner  
29 required by law in the absence of the adoption of tax  
30 increment allocation financing.

31 (2) That portion, if any, of such taxes which is  
32 attributable to the increase in the current equalized  
33 assessed valuation of each taxable lot, block, tract, or  
34 parcel of real property in the redevelopment project area,

1 over and above the initial equalized assessed value of each  
2 property existing at the time tax increment financing was  
3 adopted, minus the total current homestead exemptions  
4 pertaining to each piece of property provided by Sections  
5 15-170, ~~and 15-175,~~ and 15-176 of the Property Tax Code in  
6 the redevelopment project area, shall be allocated to and  
7 when collected shall be paid to the municipal Treasurer,  
8 who shall deposit said taxes into a special fund called the  
9 special tax allocation fund of the municipality for the  
10 purpose of paying redevelopment project costs and  
11 obligations incurred in the payment thereof.

12 The municipality may pledge in the ordinance the funds in  
13 and to be deposited in the special tax allocation fund for the  
14 payment of such costs and obligations. No part of the current  
15 equalized assessed valuation of each property in the  
16 redevelopment project area attributable to any increase above  
17 the total initial equalized assessed value, or the total  
18 initial equalized assessed value as adjusted, of such  
19 properties shall be used in calculating the general State  
20 school aid formula, provided for in Section 18-8 of the School  
21 Code, until such time as all redevelopment project costs have  
22 been paid as provided for in this Section.

23 Whenever a municipality issues bonds for the purpose of  
24 financing redevelopment project costs, such municipality may  
25 provide by ordinance for the appointment of a trustee, which  
26 may be any trust company within the State, and for the  
27 establishment of such funds or accounts to be maintained by  
28 such trustee as the municipality shall deem necessary to  
29 provide for the security and payment of the bonds. If such  
30 municipality provides for the appointment of a trustee, such  
31 trustee shall be considered the assignee of any payments  
32 assigned by the municipality pursuant to such ordinance and  
33 this Section. Any amounts paid to such trustee as assignee  
34 shall be deposited in the funds or accounts established

1 pursuant to such trust agreement, and shall be held by such  
2 trustee in trust for the benefit of the holders of the bonds,  
3 and such holders shall have a lien on and a security interest  
4 in such funds or accounts so long as the bonds remain  
5 outstanding and unpaid. Upon retirement of the bonds, the  
6 trustee shall pay over any excess amounts held to the  
7 municipality for deposit in the special tax allocation fund.

8 When such redevelopment projects costs, including without  
9 limitation all municipal obligations financing redevelopment  
10 project costs incurred under this Division, have been paid, all  
11 surplus funds then remaining in the special tax allocation fund  
12 shall be distributed by being paid by the municipal treasurer  
13 to the Department of Revenue, the municipality and the county  
14 collector; first to the Department of Revenue and the  
15 municipality in direct proportion to the tax incremental  
16 revenue received from the State and the municipality, but not  
17 to exceed the total incremental revenue received from the State  
18 or the municipality less any annual surplus distribution of  
19 incremental revenue previously made; with any remaining funds  
20 to be paid to the County Collector who shall immediately  
21 thereafter pay said funds to the taxing districts in the  
22 redevelopment project area in the same manner and proportion as  
23 the most recent distribution by the county collector to the  
24 affected districts of real property taxes from real property in  
25 the redevelopment project area.

26 Upon the payment of all redevelopment project costs, the  
27 retirement of obligations, the distribution of any excess  
28 monies pursuant to this Section, and final closing of the books  
29 and records of the redevelopment project area, the municipality  
30 shall adopt an ordinance dissolving the special tax allocation  
31 fund for the redevelopment project area and terminating the  
32 designation of the redevelopment project area as a  
33 redevelopment project area. Title to real or personal property  
34 and public improvements acquired by or for the municipality as

1 a result of the redevelopment project and plan shall vest in  
2 the municipality when acquired and shall continue to be held by  
3 the municipality after the redevelopment project area has been  
4 terminated. Municipalities shall notify affected taxing  
5 districts prior to November 1 if the redevelopment project area  
6 is to be terminated by December 31 of that same year. If a  
7 municipality extends estimated dates of completion of a  
8 redevelopment project and retirement of obligations to finance  
9 a redevelopment project, as allowed by this amendatory Act of  
10 1993, that extension shall not extend the property tax  
11 increment allocation financing authorized by this Section.  
12 Thereafter the rates of the taxing districts shall be extended  
13 and taxes levied, collected and distributed in the manner  
14 applicable in the absence of the adoption of tax increment  
15 allocation financing.

16 Nothing in this Section shall be construed as relieving  
17 property in such redevelopment project areas from being  
18 assessed as provided in the Property Tax Code or as relieving  
19 owners of such property from paying a uniform rate of taxes, as  
20 required by Section 4 of Article 9 of the Illinois  
21 Constitution.

22 (Source: P.A. 92-16, eff. 6-28-01; 93-298, eff. 7-23-03.)

23 (65 ILCS 5/11-74.4-9) (from Ch. 24, par. 11-74.4-9)

24 Sec. 11-74.4-9. Equalized assessed value of property.

25 (a) If a municipality by ordinance provides for tax  
26 increment allocation financing pursuant to Section 11-74.4-8,  
27 the county clerk immediately thereafter shall determine (1) the  
28 most recently ascertained equalized assessed value of each lot,  
29 block, tract or parcel of real property within such  
30 redevelopment project area from which shall be deducted the  
31 homestead exemptions provided by Sections 15-170, ~~and~~ 15-175,  
32 and 15-176 of the Property Tax Code, which value shall be the  
33 "initial equalized assessed value" of each such piece of

1 property, and (2) the total equalized assessed value of all  
2 taxable real property within such redevelopment project area by  
3 adding together the most recently ascertained equalized  
4 assessed value of each taxable lot, block, tract, or parcel of  
5 real property within such project area, from which shall be  
6 deducted the homestead exemptions provided by Sections 15-170,  
7 ~~and~~ 15-175, and 15-176 of the Property Tax Code, and shall  
8 certify such amount as the "total initial equalized assessed  
9 value" of the taxable real property within such project area.

10 (b) In reference to any municipality which has adopted tax  
11 increment financing after January 1, 1978, and in respect to  
12 which the county clerk has certified the "total initial  
13 equalized assessed value" of the property in the redevelopment  
14 area, the municipality may thereafter request the clerk in  
15 writing to adjust the initial equalized value of all taxable  
16 real property within the redevelopment project area by  
17 deducting therefrom the exemptions provided for by Sections  
18 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax Code  
19 applicable to each lot, block, tract or parcel of real property  
20 within such redevelopment project area. The county clerk shall  
21 immediately after the written request to adjust the total  
22 initial equalized value is received determine the total  
23 homestead exemptions in the redevelopment project area  
24 provided by Sections 15-170, ~~and~~ 15-175, and 15-176 of the  
25 Property Tax Code by adding together the homestead exemptions  
26 provided by said Sections on each lot, block, tract or parcel  
27 of real property within such redevelopment project area and  
28 then shall deduct the total of said exemptions from the total  
29 initial equalized assessed value. The county clerk shall then  
30 promptly certify such amount as the "total initial equalized  
31 assessed value as adjusted" of the taxable real property within  
32 such redevelopment project area.

33 (c) After the county clerk has certified the "total initial  
34 equalized assessed value" of the taxable real property in such



1 area, then in respect to every taxing district containing a  
2 redevelopment project area, the county clerk or any other  
3 official required by law to ascertain the amount of the  
4 equalized assessed value of all taxable property within such  
5 district for the purpose of computing the rate per cent of tax  
6 to be extended upon taxable property within such district,  
7 shall in every year that tax increment allocation financing is  
8 in effect ascertain the amount of value of taxable property in  
9 a redevelopment project area by including in such amount the  
10 lower of the current equalized assessed value or the certified  
11 "total initial equalized assessed value" of all taxable real  
12 property in such area, except that after he has certified the  
13 "total initial equalized assessed value as adjusted" he shall  
14 in the year of said certification if tax rates have not been  
15 extended and in every year thereafter that tax increment  
16 allocation financing is in effect ascertain the amount of value  
17 of taxable property in a redevelopment project area by  
18 including in such amount the lower of the current equalized  
19 assessed value or the certified "total initial equalized  
20 assessed value as adjusted" of all taxable real property in  
21 such area. The rate per cent of tax determined shall be  
22 extended to the current equalized assessed value of all  
23 property in the redevelopment project area in the same manner  
24 as the rate per cent of tax is extended to all other taxable  
25 property in the taxing district. The method of extending taxes  
26 established under this Section shall terminate when the  
27 municipality adopts an ordinance dissolving the special tax  
28 allocation fund for the redevelopment project area. This  
29 Division shall not be construed as relieving property owners  
30 within a redevelopment project area from paying a uniform rate  
31 of taxes upon the current equalized assessed value of their  
32 taxable property as provided in the Property Tax Code.

33 (Source: P.A. 88-670, eff. 12-2-94.)

1 (65 ILCS 5/11-74.6-40)

2 Sec. 11-74.6-40. Equalized assessed value determination;  
3 property tax extension.

4 (a) If a municipality by ordinance provides for tax  
5 increment allocation financing under Section 11-74.6-35, the  
6 county clerk immediately thereafter:

7 (1) shall determine the initial equalized assessed  
8 value of each parcel of real property in the redevelopment  
9 project area, which is the most recently established  
10 equalized assessed value of each lot, block, tract or  
11 parcel of taxable real property within the redevelopment  
12 project area, minus the homestead exemptions provided by  
13 Sections 15-170, ~~and~~ 15-175, and 15-176 of the Property Tax  
14 Code; and

15 (2) shall certify to the municipality the total initial  
16 equalized assessed value of all taxable real property  
17 within the redevelopment project area.

18 (b) Any municipality that has established a vacant  
19 industrial buildings conservation area may, by ordinance  
20 passed after the adoption of tax increment allocation  
21 financing, provide that the county clerk immediately  
22 thereafter shall again determine:

23 (1) the updated initial equalized assessed value of  
24 each lot, block, tract or parcel of real property, which is  
25 the most recently ascertained equalized assessed value of  
26 each lot, block, tract or parcel of real property within  
27 the vacant industrial buildings conservation area; and

28 (2) the total updated initial equalized assessed value  
29 of all taxable real property within the redevelopment  
30 project area, which is the total of the updated initial  
31 equalized assessed value of all taxable real property  
32 within the vacant industrial buildings conservation area.

33 The county clerk shall certify to the municipality the  
34 total updated initial equalized assessed value of all taxable

1 real property within the industrial buildings conservation  
2 area.

3 (c) After the county clerk has certified the total initial  
4 equalized assessed value or the total updated initial equalized  
5 assessed value of the taxable real property in the area, for  
6 each taxing district in which a redevelopment project area is  
7 situated, the county clerk or any other official required by  
8 law to determine the amount of the equalized assessed value of  
9 all taxable property within the district for the purpose of  
10 computing the percentage rate of tax to be extended upon  
11 taxable property within the district, shall in every year that  
12 tax increment allocation financing is in effect determine the  
13 total equalized assessed value of taxable property in a  
14 redevelopment project area by including in that amount the  
15 lower of the current equalized assessed value or the certified  
16 total initial equalized assessed value or, if the total of  
17 updated equalized assessed value has been certified, the total  
18 updated initial equalized assessed value of all taxable real  
19 property in the redevelopment project area. After he has  
20 certified the total initial equalized assessed value he shall  
21 in the year of that certification, if tax rates have not been  
22 extended, and in every subsequent year that tax increment  
23 allocation financing is in effect, determine the amount of  
24 equalized assessed value of taxable property in a redevelopment  
25 project area by including in that amount the lower of the  
26 current total equalized assessed value or the certified total  
27 initial equalized assessed value or, if the total of updated  
28 initial equalized assessed values have been certified, the  
29 total updated initial equalized assessed value of all taxable  
30 real property in the redevelopment project area.

31 (d) The percentage rate of tax determined shall be extended  
32 on the current equalized assessed value of all property in the  
33 redevelopment project area in the same manner as the rate per  
34 cent of tax is extended to all other taxable property in the

1 taxing district. The method of extending taxes established  
2 under this Section shall terminate when the municipality adopts  
3 an ordinance dissolving the special tax allocation fund for the  
4 redevelopment project area. This Law shall not be construed as  
5 relieving property owners within a redevelopment project area  
6 from paying a uniform rate of taxes upon the current equalized  
7 assessed value of their taxable property as provided in the  
8 Property Tax Code.

9 (Source: P.A. 88-537; 88-670, eff. 12-2-94.)

10 Section 30. The Economic Development Project Area Tax  
11 Increment Allocation Act of 1995 is amended by changing Section  
12 45 as follows:

13 (65 ILCS 110/45)

14 Sec. 45. Filing with county clerk; certification of initial  
15 equalized assessed value.

16 (a) A municipality that has by ordinance approved an  
17 economic development plan, established an economic development  
18 project area, and adopted tax increment allocation financing  
19 for that area shall file certified copies of the ordinance or  
20 ordinances with the county clerk. Upon receiving the ordinance  
21 or ordinances, the county clerk shall immediately determine (i)  
22 the most recently ascertained equalized assessed value of each  
23 lot, block, tract, or parcel of real property within the  
24 economic development project area from which shall be deducted  
25 the homestead exemptions provided by Sections 15-170, ~~and~~  
26 15-175, and 15-176 of the Property Tax Code (that value being  
27 the "initial equalized assessed value" of each such piece of  
28 property) and (ii) the total equalized assessed value of all  
29 taxable real property within the economic development project  
30 area by adding together the most recently ascertained equalized  
31 assessed value of each taxable lot, block, tract, or parcel of  
32 real property within the economic development project area,

1 from which shall be deducted the homestead exemptions provided  
2 by Sections 15-170, ~~and 15-175,~~ and 15-176 of the Property Tax  
3 Code, and shall certify that amount as the "total initial  
4 equalized assessed value" of the taxable real property within  
5 the economic development project area.

6 (b) After the county clerk has certified the "total initial  
7 equalized assessed value" of the taxable real property in the  
8 economic development project area, then in respect to every  
9 taxing district containing an economic development project  
10 area, the county clerk or any other official required by law to  
11 ascertain the amount of the equalized assessed value of all  
12 taxable property within the taxing district for the purpose of  
13 computing the rate per cent of tax to be extended upon taxable  
14 property within the taxing district shall, in every year that  
15 tax increment allocation financing is in effect, ascertain the  
16 amount of value of taxable property in an economic development  
17 project area by including in that amount the lower of the  
18 current equalized assessed value or the certified "total  
19 initial equalized assessed value" of all taxable real property  
20 in the area. The rate per cent of tax determined shall be  
21 extended to the current equalized assessed value of all  
22 property in the economic development project area in the same  
23 manner as the rate per cent of tax is extended to all other  
24 taxable property in the taxing district. The method of  
25 extending taxes established under this Section shall terminate  
26 when the municipality adopts an ordinance dissolving the  
27 special tax allocation fund for the economic development  
28 project area. This Act shall not be construed as relieving  
29 owners or lessees of property within an economic development  
30 project area from paying a uniform rate of taxes upon the  
31 current equalized assessed value of their taxable property as  
32 provided in the Property Tax Code.

33 (Source: P.A. 89-176, eff. 1-1-96.)

1           Section 35. The School Code is amended by changing Section  
2 18-8.05 as follows:

3           (105 ILCS 5/18-8.05)

4           Sec. 18-8.05. Basis for apportionment of general State  
5 financial aid and supplemental general State aid to the common  
6 schools for the 1998-1999 and subsequent school years.

7           (A) General Provisions.

8           (1) The provisions of this Section apply to the 1998-1999  
9 and subsequent school years. The system of general State  
10 financial aid provided for in this Section is designed to  
11 assure that, through a combination of State financial aid and  
12 required local resources, the financial support provided each  
13 pupil in Average Daily Attendance equals or exceeds a  
14 prescribed per pupil Foundation Level. This formula approach  
15 imputes a level of per pupil Available Local Resources and  
16 provides for the basis to calculate a per pupil level of  
17 general State financial aid that, when added to Available Local  
18 Resources, equals or exceeds the Foundation Level. The amount  
19 of per pupil general State financial aid for school districts,  
20 in general, varies in inverse relation to Available Local  
21 Resources. Per pupil amounts are based upon each school  
22 district's Average Daily Attendance as that term is defined in  
23 this Section.

24           (2) In addition to general State financial aid, school  
25 districts with specified levels or concentrations of pupils  
26 from low income households are eligible to receive supplemental  
27 general State financial aid grants as provided pursuant to  
28 subsection (H). The supplemental State aid grants provided for  
29 school districts under subsection (H) shall be appropriated for  
30 distribution to school districts as part of the same line item  
31 in which the general State financial aid of school districts is  
32 appropriated under this Section.

1           (3) To receive financial assistance under this Section,  
2 school districts are required to file claims with the State  
3 Board of Education, subject to the following requirements:

4           (a) Any school district which fails for any given  
5 school year to maintain school as required by law, or to  
6 maintain a recognized school is not eligible to file for  
7 such school year any claim upon the Common School Fund. In  
8 case of nonrecognition of one or more attendance centers in  
9 a school district otherwise operating recognized schools,  
10 the claim of the district shall be reduced in the  
11 proportion which the Average Daily Attendance in the  
12 attendance center or centers bear to the Average Daily  
13 Attendance in the school district. A "recognized school"  
14 means any public school which meets the standards as  
15 established for recognition by the State Board of  
16 Education. A school district or attendance center not  
17 having recognition status at the end of a school term is  
18 entitled to receive State aid payments due upon a legal  
19 claim which was filed while it was recognized.

20           (b) School district claims filed under this Section are  
21 subject to Sections 18-9, 18-10, and 18-12, except as  
22 otherwise provided in this Section.

23           (c) If a school district operates a full year school  
24 under Section 10-19.1, the general State aid to the school  
25 district shall be determined by the State Board of  
26 Education in accordance with this Section as near as may be  
27 applicable.

28           (d) (Blank).

29           (4) Except as provided in subsections (H) and (L), the  
30 board of any district receiving any of the grants provided for  
31 in this Section may apply those funds to any fund so received  
32 for which that board is authorized to make expenditures by law.

33           School districts are not required to exert a minimum  
34 Operating Tax Rate in order to qualify for assistance under

1 this Section.

2 (5) As used in this Section the following terms, when  
3 capitalized, shall have the meaning ascribed herein:

4 (a) "Average Daily Attendance": A count of pupil  
5 attendance in school, averaged as provided for in  
6 subsection (C) and utilized in deriving per pupil financial  
7 support levels.

8 (b) "Available Local Resources": A computation of  
9 local financial support, calculated on the basis of Average  
10 Daily Attendance and derived as provided pursuant to  
11 subsection (D).

12 (c) "Corporate Personal Property Replacement Taxes":  
13 Funds paid to local school districts pursuant to "An Act in  
14 relation to the abolition of ad valorem personal property  
15 tax and the replacement of revenues lost thereby, and  
16 amending and repealing certain Acts and parts of Acts in  
17 connection therewith", certified August 14, 1979, as  
18 amended (Public Act 81-1st S.S.-1).

19 (d) "Foundation Level": A prescribed level of per pupil  
20 financial support as provided for in subsection (B).

21 (e) "Operating Tax Rate": All school district property  
22 taxes extended for all purposes, except Bond and Interest,  
23 Summer School, Rent, Capital Improvement, and Vocational  
24 Education Building purposes.

25 (B) Foundation Level.

26 (1) The Foundation Level is a figure established by the  
27 State representing the minimum level of per pupil financial  
28 support that should be available to provide for the basic  
29 education of each pupil in Average Daily Attendance. As set  
30 forth in this Section, each school district is assumed to exert  
31 a sufficient local taxing effort such that, in combination with  
32 the aggregate of general State financial aid provided the  
33 district, an aggregate of State and local resources are



1 available to meet the basic education needs of pupils in the  
2 district.

3 (2) For the 1998-1999 school year, the Foundation Level of  
4 support is \$4,225. For the 1999-2000 school year, the  
5 Foundation Level of support is \$4,325. For the 2000-2001 school  
6 year, the Foundation Level of support is \$4,425.

7 (3) For the 2001-2002 school year and 2002-2003 school  
8 year, the Foundation Level of support is \$4,560.

9 (4) For the 2003-2004 school year and each school year  
10 thereafter, the Foundation Level of support is \$4,810 or such  
11 greater amount as may be established by law by the General  
12 Assembly.

13 (C) Average Daily Attendance.

14 (1) For purposes of calculating general State aid pursuant  
15 to subsection (E), an Average Daily Attendance figure shall be  
16 utilized. The Average Daily Attendance figure for formula  
17 calculation purposes shall be the monthly average of the actual  
18 number of pupils in attendance of each school district, as  
19 further averaged for the best 3 months of pupil attendance for  
20 each school district. In compiling the figures for the number  
21 of pupils in attendance, school districts and the State Board  
22 of Education shall, for purposes of general State aid funding,  
23 conform attendance figures to the requirements of subsection  
24 (F).

25 (2) The Average Daily Attendance figures utilized in  
26 subsection (E) shall be the requisite attendance data for the  
27 school year immediately preceding the school year for which  
28 general State aid is being calculated or the average of the  
29 attendance data for the 3 preceding school years, whichever is  
30 greater. The Average Daily Attendance figures utilized in  
31 subsection (H) shall be the requisite attendance data for the  
32 school year immediately preceding the school year for which  
33 general State aid is being calculated.

1 (D) Available Local Resources.

2 (1) For purposes of calculating general State aid pursuant  
3 to subsection (E), a representation of Available Local  
4 Resources per pupil, as that term is defined and determined in  
5 this subsection, shall be utilized. Available Local Resources  
6 per pupil shall include a calculated dollar amount representing  
7 local school district revenues from local property taxes and  
8 from Corporate Personal Property Replacement Taxes, expressed  
9 on the basis of pupils in Average Daily Attendance.

10 (2) In determining a school district's revenue from local  
11 property taxes, the State Board of Education shall utilize the  
12 equalized assessed valuation of all taxable property of each  
13 school district as of September 30 of the previous year. The  
14 equalized assessed valuation utilized shall be obtained and  
15 determined as provided in subsection (G).

16 (3) For school districts maintaining grades kindergarten  
17 through 12, local property tax revenues per pupil shall be  
18 calculated as the product of the applicable equalized assessed  
19 valuation for the district multiplied by 3.00%, and divided by  
20 the district's Average Daily Attendance figure. For school  
21 districts maintaining grades kindergarten through 8, local  
22 property tax revenues per pupil shall be calculated as the  
23 product of the applicable equalized assessed valuation for the  
24 district multiplied by 2.30%, and divided by the district's  
25 Average Daily Attendance figure. For school districts  
26 maintaining grades 9 through 12, local property tax revenues  
27 per pupil shall be the applicable equalized assessed valuation  
28 of the district multiplied by 1.05%, and divided by the  
29 district's Average Daily Attendance figure.

30 (4) The Corporate Personal Property Replacement Taxes paid  
31 to each school district during the calendar year 2 years before  
32 the calendar year in which a school year begins, divided by the  
33 Average Daily Attendance figure for that district, shall be

1 added to the local property tax revenues per pupil as derived  
2 by the application of the immediately preceding paragraph (3).  
3 The sum of these per pupil figures for each school district  
4 shall constitute Available Local Resources as that term is  
5 utilized in subsection (E) in the calculation of general State  
6 aid.

7 (E) Computation of General State Aid.

8 (1) For each school year, the amount of general State aid  
9 allotted to a school district shall be computed by the State  
10 Board of Education as provided in this subsection.

11 (2) For any school district for which Available Local  
12 Resources per pupil is less than the product of 0.93 times the  
13 Foundation Level, general State aid for that district shall be  
14 calculated as an amount equal to the Foundation Level minus  
15 Available Local Resources, multiplied by the Average Daily  
16 Attendance of the school district.

17 (3) For any school district for which Available Local  
18 Resources per pupil is equal to or greater than the product of  
19 0.93 times the Foundation Level and less than the product of  
20 1.75 times the Foundation Level, the general State aid per  
21 pupil shall be a decimal proportion of the Foundation Level  
22 derived using a linear algorithm. Under this linear algorithm,  
23 the calculated general State aid per pupil shall decline in  
24 direct linear fashion from 0.07 times the Foundation Level for  
25 a school district with Available Local Resources equal to the  
26 product of 0.93 times the Foundation Level, to 0.05 times the  
27 Foundation Level for a school district with Available Local  
28 Resources equal to the product of 1.75 times the Foundation  
29 Level. The allocation of general State aid for school districts  
30 subject to this paragraph 3 shall be the calculated general  
31 State aid per pupil figure multiplied by the Average Daily  
32 Attendance of the school district.

33 (4) For any school district for which Available Local

1 Resources per pupil equals or exceeds the product of 1.75 times  
2 the Foundation Level, the general State aid for the school  
3 district shall be calculated as the product of \$218 multiplied  
4 by the Average Daily Attendance of the school district.

5 (5) The amount of general State aid allocated to a school  
6 district for the 1999-2000 school year meeting the requirements  
7 set forth in paragraph (4) of subsection (G) shall be increased  
8 by an amount equal to the general State aid that would have  
9 been received by the district for the 1998-1999 school year by  
10 utilizing the Extension Limitation Equalized Assessed  
11 Valuation as calculated in paragraph (4) of subsection (G) less  
12 the general State aid allotted for the 1998-1999 school year.  
13 This amount shall be deemed a one time increase, and shall not  
14 affect any future general State aid allocations.

15 (F) Compilation of Average Daily Attendance.

16 (1) Each school district shall, by July 1 of each year,  
17 submit to the State Board of Education, on forms prescribed by  
18 the State Board of Education, attendance figures for the school  
19 year that began in the preceding calendar year. The attendance  
20 information so transmitted shall identify the average daily  
21 attendance figures for each month of the school year. Beginning  
22 with the general State aid claim form for the 2002-2003 school  
23 year, districts shall calculate Average Daily Attendance as  
24 provided in subdivisions (a), (b), and (c) of this paragraph  
25 (1).

26 (a) In districts that do not hold year-round classes,  
27 days of attendance in August shall be added to the month of  
28 September and any days of attendance in June shall be added  
29 to the month of May.

30 (b) In districts in which all buildings hold year-round  
31 classes, days of attendance in July and August shall be  
32 added to the month of September and any days of attendance  
33 in June shall be added to the month of May.

1           (c) In districts in which some buildings, but not all,  
2 hold year-round classes, for the non-year-round buildings,  
3 days of attendance in August shall be added to the month of  
4 September and any days of attendance in June shall be added  
5 to the month of May. The average daily attendance for the  
6 year-round buildings shall be computed as provided in  
7 subdivision (b) of this paragraph (1). To calculate the  
8 Average Daily Attendance for the district, the average  
9 daily attendance for the year-round buildings shall be  
10 multiplied by the days in session for the non-year-round  
11 buildings for each month and added to the monthly  
12 attendance of the non-year-round buildings.

13           Except as otherwise provided in this Section, days of  
14 attendance by pupils shall be counted only for sessions of not  
15 less than 5 clock hours of school work per day under direct  
16 supervision of: (i) teachers, or (ii) non-teaching personnel or  
17 volunteer personnel when engaging in non-teaching duties and  
18 supervising in those instances specified in subsection (a) of  
19 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils  
20 of legal school age and in kindergarten and grades 1 through  
21 12.

22           Days of attendance by tuition pupils shall be accredited  
23 only to the districts that pay the tuition to a recognized  
24 school.

25           (2) Days of attendance by pupils of less than 5 clock hours  
26 of school shall be subject to the following provisions in the  
27 compilation of Average Daily Attendance.

28           (a) Pupils regularly enrolled in a public school for  
29 only a part of the school day may be counted on the basis  
30 of 1/6 day for every class hour of instruction of 40  
31 minutes or more attended pursuant to such enrollment,  
32 unless a pupil is enrolled in a block-schedule format of 80  
33 minutes or more of instruction, in which case the pupil may  
34 be counted on the basis of the proportion of minutes of

1 school work completed each day to the minimum number of  
2 minutes that school work is required to be held that day.

3 (b) Days of attendance may be less than 5 clock hours  
4 on the opening and closing of the school term, and upon the  
5 first day of pupil attendance, if preceded by a day or days  
6 utilized as an institute or teachers' workshop.

7 (c) A session of 4 or more clock hours may be counted  
8 as a day of attendance upon certification by the regional  
9 superintendent, and approved by the State Superintendent  
10 of Education to the extent that the district has been  
11 forced to use daily multiple sessions.

12 (d) A session of 3 or more clock hours may be counted  
13 as a day of attendance (1) when the remainder of the school  
14 day or at least 2 hours in the evening of that day is  
15 utilized for an in-service training program for teachers,  
16 up to a maximum of 5 days per school year of which a  
17 maximum of 4 days of such 5 days may be used for  
18 parent-teacher conferences, provided a district conducts  
19 an in-service training program for teachers which has been  
20 approved by the State Superintendent of Education; or, in  
21 lieu of 4 such days, 2 full days may be used, in which  
22 event each such day may be counted as a day of attendance;  
23 and (2) when days in addition to those provided in item (1)  
24 are scheduled by a school pursuant to its school  
25 improvement plan adopted under Article 34 or its revised or  
26 amended school improvement plan adopted under Article 2,  
27 provided that (i) such sessions of 3 or more clock hours  
28 are scheduled to occur at regular intervals, (ii) the  
29 remainder of the school days in which such sessions occur  
30 are utilized for in-service training programs or other  
31 staff development activities for teachers, and (iii) a  
32 sufficient number of minutes of school work under the  
33 direct supervision of teachers are added to the school days  
34 between such regularly scheduled sessions to accumulate

1 not less than the number of minutes by which such sessions  
2 of 3 or more clock hours fall short of 5 clock hours. Any  
3 full days used for the purposes of this paragraph shall not  
4 be considered for computing average daily attendance. Days  
5 scheduled for in-service training programs, staff  
6 development activities, or parent-teacher conferences may  
7 be scheduled separately for different grade levels and  
8 different attendance centers of the district.

9 (e) A session of not less than one clock hour of  
10 teaching hospitalized or homebound pupils on-site or by  
11 telephone to the classroom may be counted as 1/2 day of  
12 attendance, however these pupils must receive 4 or more  
13 clock hours of instruction to be counted for a full day of  
14 attendance.

15 (f) A session of at least 4 clock hours may be counted  
16 as a day of attendance for first grade pupils, and pupils  
17 in full day kindergartens, and a session of 2 or more hours  
18 may be counted as 1/2 day of attendance by pupils in  
19 kindergartens which provide only 1/2 day of attendance.

20 (g) For children with disabilities who are below the  
21 age of 6 years and who cannot attend 2 or more clock hours  
22 because of their disability or immaturity, a session of not  
23 less than one clock hour may be counted as 1/2 day of  
24 attendance; however for such children whose educational  
25 needs so require a session of 4 or more clock hours may be  
26 counted as a full day of attendance.

27 (h) A recognized kindergarten which provides for only  
28 1/2 day of attendance by each pupil shall not have more  
29 than 1/2 day of attendance counted in any one day. However,  
30 kindergartens may count 2 1/2 days of attendance in any 5  
31 consecutive school days. When a pupil attends such a  
32 kindergarten for 2 half days on any one school day, the  
33 pupil shall have the following day as a day absent from  
34 school, unless the school district obtains permission in

1 writing from the State Superintendent of Education.  
2 Attendance at kindergartens which provide for a full day of  
3 attendance by each pupil shall be counted the same as  
4 attendance by first grade pupils. Only the first year of  
5 attendance in one kindergarten shall be counted, except in  
6 case of children who entered the kindergarten in their  
7 fifth year whose educational development requires a second  
8 year of kindergarten as determined under the rules and  
9 regulations of the State Board of Education.

10 (G) Equalized Assessed Valuation Data.

11 (1) For purposes of the calculation of Available Local  
12 Resources required pursuant to subsection (D), the State Board  
13 of Education shall secure from the Department of Revenue the  
14 value as equalized or assessed by the Department of Revenue of  
15 all taxable property of every school district, together with  
16 (i) the applicable tax rate used in extending taxes for the  
17 funds of the district as of September 30 of the previous year  
18 and (ii) the limiting rate for all school districts subject to  
19 property tax extension limitations as imposed under the  
20 Property Tax Extension Limitation Law.

21 The Department of Revenue shall add to the equalized  
22 assessed value of all taxable property of each school district  
23 situated entirely or partially within a county with 3,000,000  
24 or more inhabitants an amount equal to the total amount by  
25 which the homestead exemption allowed under Section 15-176 of  
26 the Property Tax Code for real property located in Cook County  
27 and situated in that school district exceeds the total amount  
28 that would have been allowed in that school district if the  
29 maximum reduction under Section 15-176 was \$4,500 in Cook  
30 County and \$3,500 in all other counties. The county clerk of  
31 any county with 3,000,000 or more inhabitants shall annually  
32 calculate and certify to the Department of Revenue for each  
33 school district all homestead exemption amounts under Section



1 15-176. It is the intent of this paragraph that if the general  
2 homestead exemption for a parcel of property is determined  
3 under Section 15-176 of the Property Tax Code rather than  
4 Section 15-175, then the calculation of Available Local  
5 Resources shall not be affected by the difference, if any,  
6 between the amount of the general homestead exemption allowed  
7 for that parcel of property under Section 15-176 of the  
8 Property Tax Code and the amount that would have been allowed  
9 had the general homestead exemption for that parcel of property  
10 been determined under Section 15-175 of the Property Tax Code.

11 This equalized assessed valuation, as adjusted further by  
12 the requirements of this subsection, shall be utilized in the  
13 calculation of Available Local Resources.

14 (2) The equalized assessed valuation in paragraph (1) shall  
15 be adjusted, as applicable, in the following manner:

16 (a) For the purposes of calculating State aid under  
17 this Section, with respect to any part of a school district  
18 within a redevelopment project area in respect to which a  
19 municipality has adopted tax increment allocation  
20 financing pursuant to the Tax Increment Allocation  
21 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11  
22 of the Illinois Municipal Code or the Industrial Jobs  
23 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the  
24 Illinois Municipal Code, no part of the current equalized  
25 assessed valuation of real property located in any such  
26 project area which is attributable to an increase above the  
27 total initial equalized assessed valuation of such  
28 property shall be used as part of the equalized assessed  
29 valuation of the district, until such time as all  
30 redevelopment project costs have been paid, as provided in  
31 Section 11-74.4-8 of the Tax Increment Allocation  
32 Redevelopment Act or in Section 11-74.6-35 of the  
33 Industrial Jobs Recovery Law. For the purpose of the  
34 equalized assessed valuation of the district, the total

1 initial equalized assessed valuation or the current  
2 equalized assessed valuation, whichever is lower, shall be  
3 used until such time as all redevelopment project costs  
4 have been paid.

5 (b) The real property equalized assessed valuation for  
6 a school district shall be adjusted by subtracting from the  
7 real property value as equalized or assessed by the  
8 Department of Revenue for the district an amount computed  
9 by dividing the amount of any abatement of taxes under  
10 Section 18-170 of the Property Tax Code by 3.00% for a  
11 district maintaining grades kindergarten through 12, by  
12 2.30% for a district maintaining grades kindergarten  
13 through 8, or by 1.05% for a district maintaining grades 9  
14 through 12 and adjusted by an amount computed by dividing  
15 the amount of any abatement of taxes under subsection (a)  
16 of Section 18-165 of the Property Tax Code by the same  
17 percentage rates for district type as specified in this  
18 subparagraph (b).

19 (3) For the 1999-2000 school year and each school year  
20 thereafter, if a school district meets all of the criteria of  
21 this subsection (G) (3), the school district's Available Local  
22 Resources shall be calculated under subsection (D) using the  
23 district's Extension Limitation Equalized Assessed Valuation  
24 as calculated under this subsection (G) (3).

25 For purposes of this subsection (G) (3) the following terms  
26 shall have the following meanings:

27 "Budget Year": The school year for which general State  
28 aid is calculated and awarded under subsection (E).

29 "Base Tax Year": The property tax levy year used to  
30 calculate the Budget Year allocation of general State aid.

31 "Preceding Tax Year": The property tax levy year  
32 immediately preceding the Base Tax Year.

33 "Base Tax Year's Tax Extension": The product of the  
34 equalized assessed valuation utilized by the County Clerk

1 in the Base Tax Year multiplied by the limiting rate as  
2 calculated by the County Clerk and defined in the Property  
3 Tax Extension Limitation Law.

4 "Preceding Tax Year's Tax Extension": The product of  
5 the equalized assessed valuation utilized by the County  
6 Clerk in the Preceding Tax Year multiplied by the Operating  
7 Tax Rate as defined in subsection (A).

8 "Extension Limitation Ratio": A numerical ratio,  
9 certified by the County Clerk, in which the numerator is  
10 the Base Tax Year's Tax Extension and the denominator is  
11 the Preceding Tax Year's Tax Extension.

12 "Operating Tax Rate": The operating tax rate as defined  
13 in subsection (A).

14 If a school district is subject to property tax extension  
15 limitations as imposed under the Property Tax Extension  
16 Limitation Law, the State Board of Education shall calculate  
17 the Extension Limitation Equalized Assessed Valuation of that  
18 district. For the 1999-2000 school year, the Extension  
19 Limitation Equalized Assessed Valuation of a school district as  
20 calculated by the State Board of Education shall be equal to  
21 the product of the district's 1996 Equalized Assessed Valuation  
22 and the district's Extension Limitation Ratio. For the  
23 2000-2001 school year and each school year thereafter, the  
24 Extension Limitation Equalized Assessed Valuation of a school  
25 district as calculated by the State Board of Education shall be  
26 equal to the product of the Equalized Assessed Valuation last  
27 used in the calculation of general State aid and the district's  
28 Extension Limitation Ratio. If the Extension Limitation  
29 Equalized Assessed Valuation of a school district as calculated  
30 under this subsection (G)(3) is less than the district's  
31 equalized assessed valuation as calculated pursuant to  
32 subsections (G)(1) and (G)(2), then for purposes of calculating  
33 the district's general State aid for the Budget Year pursuant  
34 to subsection (E), that Extension Limitation Equalized

1 Assessed Valuation shall be utilized to calculate the  
2 district's Available Local Resources under subsection (D).

3 (4) For the purposes of calculating general State aid for  
4 the 1999-2000 school year only, if a school district  
5 experienced a triennial reassessment on the equalized assessed  
6 valuation used in calculating its general State financial aid  
7 apportionment for the 1998-1999 school year, the State Board of  
8 Education shall calculate the Extension Limitation Equalized  
9 Assessed Valuation that would have been used to calculate the  
10 district's 1998-1999 general State aid. This amount shall equal  
11 the product of the equalized assessed valuation used to  
12 calculate general State aid for the 1997-1998 school year and  
13 the district's Extension Limitation Ratio. If the Extension  
14 Limitation Equalized Assessed Valuation of the school district  
15 as calculated under this paragraph (4) is less than the  
16 district's equalized assessed valuation utilized in  
17 calculating the district's 1998-1999 general State aid  
18 allocation, then for purposes of calculating the district's  
19 general State aid pursuant to paragraph (5) of subsection (E),  
20 that Extension Limitation Equalized Assessed Valuation shall  
21 be utilized to calculate the district's Available Local  
22 Resources.

23 (5) For school districts having a majority of their  
24 equalized assessed valuation in any county except Cook, DuPage,  
25 Kane, Lake, McHenry, or Will, if the amount of general State  
26 aid allocated to the school district for the 1999-2000 school  
27 year under the provisions of subsection (E), (H), and (J) of  
28 this Section is less than the amount of general State aid  
29 allocated to the district for the 1998-1999 school year under  
30 these subsections, then the general State aid of the district  
31 for the 1999-2000 school year only shall be increased by the  
32 difference between these amounts. The total payments made under  
33 this paragraph (5) shall not exceed \$14,000,000. Claims shall  
34 be prorated if they exceed \$14,000,000.

1 (H) Supplemental General State Aid.

2 (1) In addition to the general State aid a school district  
3 is allotted pursuant to subsection (E), qualifying school  
4 districts shall receive a grant, paid in conjunction with a  
5 district's payments of general State aid, for supplemental  
6 general State aid based upon the concentration level of  
7 children from low-income households within the school  
8 district. Supplemental State aid grants provided for school  
9 districts under this subsection shall be appropriated for  
10 distribution to school districts as part of the same line item  
11 in which the general State financial aid of school districts is  
12 appropriated under this Section. If the appropriation in any  
13 fiscal year for general State aid and supplemental general  
14 State aid is insufficient to pay the amounts required under the  
15 general State aid and supplemental general State aid  
16 calculations, then the State Board of Education shall ensure  
17 that each school district receives the full amount due for  
18 general State aid and the remainder of the appropriation shall  
19 be used for supplemental general State aid, which the State  
20 Board of Education shall calculate and pay to eligible  
21 districts on a prorated basis.

22 (1.5) This paragraph (1.5) applies only to those school  
23 years preceding the 2003-2004 school year. For purposes of this  
24 subsection (H), the term "Low-Income Concentration Level"  
25 shall be the low-income eligible pupil count from the most  
26 recently available federal census divided by the Average Daily  
27 Attendance of the school district. If, however, (i) the  
28 percentage decrease from the 2 most recent federal censuses in  
29 the low-income eligible pupil count of a high school district  
30 with fewer than 400 students exceeds by 75% or more the  
31 percentage change in the total low-income eligible pupil count  
32 of contiguous elementary school districts, whose boundaries  
33 are coterminous with the high school district, or (ii) a high

1 school district within 2 counties and serving 5 elementary  
2 school districts, whose boundaries are coterminous with the  
3 high school district, has a percentage decrease from the 2 most  
4 recent federal censuses in the low-income eligible pupil count  
5 and there is a percentage increase in the total low-income  
6 eligible pupil count of a majority of the elementary school  
7 districts in excess of 50% from the 2 most recent federal  
8 censuses, then the high school district's low-income eligible  
9 pupil count from the earlier federal census shall be the number  
10 used as the low-income eligible pupil count for the high school  
11 district, for purposes of this subsection (H). The changes made  
12 to this paragraph (1) by Public Act 92-28 shall apply to  
13 supplemental general State aid grants for school years  
14 preceding the 2003-2004 school year that are paid in fiscal  
15 year 1999 or thereafter and to any State aid payments made in  
16 fiscal year 1994 through fiscal year 1998 pursuant to  
17 subsection 1(n) of Section 18-8 of this Code (which was  
18 repealed on July 1, 1998), and any high school district that is  
19 affected by Public Act 92-28 is entitled to a recomputation of  
20 its supplemental general State aid grant or State aid paid in  
21 any of those fiscal years. This recomputation shall not be  
22 affected by any other funding.

23 (1.10) This paragraph (1.10) applies to the 2003-2004  
24 school year and each school year thereafter. For purposes of  
25 this subsection (H), the term "Low-Income Concentration Level"  
26 shall, for each fiscal year, be the low-income eligible pupil  
27 count as of July 1 of the immediately preceding fiscal year (as  
28 determined by the Department of Human Services based on the  
29 number of pupils who are eligible for at least one of the  
30 following low income programs: Medicaid, KidCare, TANF, or Food  
31 Stamps, excluding pupils who are eligible for services provided  
32 by the Department of Children and Family Services, averaged  
33 over the 2 immediately preceding fiscal years for fiscal year  
34 2004 and over the 3 immediately preceding fiscal years for each

1 fiscal year thereafter) divided by the Average Daily Attendance  
2 of the school district.

3 (2) Supplemental general State aid pursuant to this  
4 subsection (H) shall be provided as follows for the 1998-1999,  
5 1999-2000, and 2000-2001 school years only:

6 (a) For any school district with a Low Income  
7 Concentration Level of at least 20% and less than 35%, the  
8 grant for any school year shall be \$800 multiplied by the  
9 low income eligible pupil count.

10 (b) For any school district with a Low Income  
11 Concentration Level of at least 35% and less than 50%, the  
12 grant for the 1998-1999 school year shall be \$1,100  
13 multiplied by the low income eligible pupil count.

14 (c) For any school district with a Low Income  
15 Concentration Level of at least 50% and less than 60%, the  
16 grant for the 1998-99 school year shall be \$1,500  
17 multiplied by the low income eligible pupil count.

18 (d) For any school district with a Low Income  
19 Concentration Level of 60% or more, the grant for the  
20 1998-99 school year shall be \$1,900 multiplied by the low  
21 income eligible pupil count.

22 (e) For the 1999-2000 school year, the per pupil amount  
23 specified in subparagraphs (b), (c), and (d) immediately  
24 above shall be increased to \$1,243, \$1,600, and \$2,000,  
25 respectively.

26 (f) For the 2000-2001 school year, the per pupil  
27 amounts specified in subparagraphs (b), (c), and (d)  
28 immediately above shall be \$1,273, \$1,640, and \$2,050,  
29 respectively.

30 (2.5) Supplemental general State aid pursuant to this  
31 subsection (H) shall be provided as follows for the 2002-2003  
32 school year:

33 (a) For any school district with a Low Income  
34 Concentration Level of less than 10%, the grant for each

1 school year shall be \$355 multiplied by the low income  
2 eligible pupil count.

3 (b) For any school district with a Low Income  
4 Concentration Level of at least 10% and less than 20%, the  
5 grant for each school year shall be \$675 multiplied by the  
6 low income eligible pupil count.

7 (c) For any school district with a Low Income  
8 Concentration Level of at least 20% and less than 35%, the  
9 grant for each school year shall be \$1,330 multiplied by  
10 the low income eligible pupil count.

11 (d) For any school district with a Low Income  
12 Concentration Level of at least 35% and less than 50%, the  
13 grant for each school year shall be \$1,362 multiplied by  
14 the low income eligible pupil count.

15 (e) For any school district with a Low Income  
16 Concentration Level of at least 50% and less than 60%, the  
17 grant for each school year shall be \$1,680 multiplied by  
18 the low income eligible pupil count.

19 (f) For any school district with a Low Income  
20 Concentration Level of 60% or more, the grant for each  
21 school year shall be \$2,080 multiplied by the low income  
22 eligible pupil count.

23 (2.10) Except as otherwise provided, supplemental general  
24 State aid pursuant to this subsection (H) shall be provided as  
25 follows for the 2003-2004 school year and each school year  
26 thereafter:

27 (a) For any school district with a Low Income  
28 Concentration Level of 15% or less, the grant for each  
29 school year shall be \$355 multiplied by the low income  
30 eligible pupil count.

31 (b) For any school district with a Low Income  
32 Concentration Level greater than 15%, the grant for each  
33 school year shall be \$294.25 added to the product of \$2,700  
34 and the square of the Low Income Concentration Level, all



1 multiplied by the low income eligible pupil count.

2 For the 2003-2004 school year only, the grant shall be no  
3 less than the grant for the 2002-2003 school year. For the  
4 2004-2005 school year only, the grant shall be no less than the  
5 grant for the 2002-2003 school year multiplied by 0.66. For the  
6 2005-2006 school year only, the grant shall be no less than the  
7 grant for the 2002-2003 school year multiplied by 0.33.

8 For the 2003-2004 school year only, the grant shall be no  
9 greater than the grant received during the 2002-2003 school  
10 year added to the product of 0.25 multiplied by the difference  
11 between the grant amount calculated under subsection (a) or (b)  
12 of this paragraph (2.10), whichever is applicable, and the  
13 grant received during the 2002-2003 school year. For the  
14 2004-2005 school year only, the grant shall be no greater than  
15 the grant received during the 2002-2003 school year added to  
16 the product of 0.50 multiplied by the difference between the  
17 grant amount calculated under subsection (a) or (b) of this  
18 paragraph (2.10), whichever is applicable, and the grant  
19 received during the 2002-2003 school year. For the 2005-2006  
20 school year only, the grant shall be no greater than the grant  
21 received during the 2002-2003 school year added to the product  
22 of 0.75 multiplied by the difference between the grant amount  
23 calculated under subsection (a) or (b) of this paragraph  
24 (2.10), whichever is applicable, and the grant received during  
25 the 2002-2003 school year.

26 (3) School districts with an Average Daily Attendance of  
27 more than 1,000 and less than 50,000 that qualify for  
28 supplemental general State aid pursuant to this subsection  
29 shall submit a plan to the State Board of Education prior to  
30 October 30 of each year for the use of the funds resulting from  
31 this grant of supplemental general State aid for the  
32 improvement of instruction in which priority is given to  
33 meeting the education needs of disadvantaged children. Such  
34 plan shall be submitted in accordance with rules and

1 regulations promulgated by the State Board of Education.

2 (4) School districts with an Average Daily Attendance of  
3 50,000 or more that qualify for supplemental general State aid  
4 pursuant to this subsection shall be required to distribute  
5 from funds available pursuant to this Section, no less than  
6 \$261,000,000 in accordance with the following requirements:

7 (a) The required amounts shall be distributed to the  
8 attendance centers within the district in proportion to the  
9 number of pupils enrolled at each attendance center who are  
10 eligible to receive free or reduced-price lunches or  
11 breakfasts under the federal Child Nutrition Act of 1966  
12 and under the National School Lunch Act during the  
13 immediately preceding school year.

14 (b) The distribution of these portions of supplemental  
15 and general State aid among attendance centers according to  
16 these requirements shall not be compensated for or  
17 contravened by adjustments of the total of other funds  
18 appropriated to any attendance centers, and the Board of  
19 Education shall utilize funding from one or several sources  
20 in order to fully implement this provision annually prior  
21 to the opening of school.

22 (c) Each attendance center shall be provided by the  
23 school district a distribution of noncategorical funds and  
24 other categorical funds to which an attendance center is  
25 entitled under law in order that the general State aid and  
26 supplemental general State aid provided by application of  
27 this subsection supplements rather than supplants the  
28 noncategorical funds and other categorical funds provided  
29 by the school district to the attendance centers.

30 (d) Any funds made available under this subsection that  
31 by reason of the provisions of this subsection are not  
32 required to be allocated and provided to attendance centers  
33 may be used and appropriated by the board of the district  
34 for any lawful school purpose.

1 (e) Funds received by an attendance center pursuant to  
2 this subsection shall be used by the attendance center at  
3 the discretion of the principal and local school council  
4 for programs to improve educational opportunities at  
5 qualifying schools through the following programs and  
6 services: early childhood education, reduced class size or  
7 improved adult to student classroom ratio, enrichment  
8 programs, remedial assistance, attendance improvement, and  
9 other educationally beneficial expenditures which  
10 supplement the regular and basic programs as determined by  
11 the State Board of Education. Funds provided shall not be  
12 expended for any political or lobbying purposes as defined  
13 by board rule.

14 (f) Each district subject to the provisions of this  
15 subdivision (H) (4) shall submit an acceptable plan to meet  
16 the educational needs of disadvantaged children, in  
17 compliance with the requirements of this paragraph, to the  
18 State Board of Education prior to July 15 of each year.  
19 This plan shall be consistent with the decisions of local  
20 school councils concerning the school expenditure plans  
21 developed in accordance with part 4 of Section 34-2.3. The  
22 State Board shall approve or reject the plan within 60 days  
23 after its submission. If the plan is rejected, the district  
24 shall give written notice of intent to modify the plan  
25 within 15 days of the notification of rejection and then  
26 submit a modified plan within 30 days after the date of the  
27 written notice of intent to modify. Districts may amend  
28 approved plans pursuant to rules promulgated by the State  
29 Board of Education.

30 Upon notification by the State Board of Education that  
31 the district has not submitted a plan prior to July 15 or a  
32 modified plan within the time period specified herein, the  
33 State aid funds affected by that plan or modified plan  
34 shall be withheld by the State Board of Education until a

1 plan or modified plan is submitted.

2 If the district fails to distribute State aid to  
3 attendance centers in accordance with an approved plan, the  
4 plan for the following year shall allocate funds, in  
5 addition to the funds otherwise required by this  
6 subsection, to those attendance centers which were  
7 underfunded during the previous year in amounts equal to  
8 such underfunding.

9 For purposes of determining compliance with this  
10 subsection in relation to the requirements of attendance  
11 center funding, each district subject to the provisions of  
12 this subsection shall submit as a separate document by  
13 December 1 of each year a report of expenditure data for  
14 the prior year in addition to any modification of its  
15 current plan. If it is determined that there has been a  
16 failure to comply with the expenditure provisions of this  
17 subsection regarding contravention or supplanting, the  
18 State Superintendent of Education shall, within 60 days of  
19 receipt of the report, notify the district and any affected  
20 local school council. The district shall within 45 days of  
21 receipt of that notification inform the State  
22 Superintendent of Education of the remedial or corrective  
23 action to be taken, whether by amendment of the current  
24 plan, if feasible, or by adjustment in the plan for the  
25 following year. Failure to provide the expenditure report  
26 or the notification of remedial or corrective action in a  
27 timely manner shall result in a withholding of the affected  
28 funds.

29 The State Board of Education shall promulgate rules and  
30 regulations to implement the provisions of this  
31 subsection. No funds shall be released under this  
32 subdivision (H) (4) to any district that has not submitted a  
33 plan that has been approved by the State Board of  
34 Education.

1 (I) General State Aid for Newly Configured School Districts.

2 (1) For a new school district formed by combining property  
3 included totally within 2 or more previously existing school  
4 districts, for its first year of existence the general State  
5 aid and supplemental general State aid calculated under this  
6 Section shall be computed for the new district and for the  
7 previously existing districts for which property is totally  
8 included within the new district. If the computation on the  
9 basis of the previously existing districts is greater, a  
10 supplementary payment equal to the difference shall be made for  
11 the first 4 years of existence of the new district.

12 (2) For a school district which annexes all of the  
13 territory of one or more entire other school districts, for the  
14 first year during which the change of boundaries attributable  
15 to such annexation becomes effective for all purposes as  
16 determined under Section 7-9 or 7A-8, the general State aid and  
17 supplemental general State aid calculated under this Section  
18 shall be computed for the annexing district as constituted  
19 after the annexation and for the annexing and each annexed  
20 district as constituted prior to the annexation; and if the  
21 computation on the basis of the annexing and annexed districts  
22 as constituted prior to the annexation is greater, a  
23 supplementary payment equal to the difference shall be made for  
24 the first 4 years of existence of the annexing school district  
25 as constituted upon such annexation.

26 (3) For 2 or more school districts which annex all of the  
27 territory of one or more entire other school districts, and for  
28 2 or more community unit districts which result upon the  
29 division (pursuant to petition under Section 11A-2) of one or  
30 more other unit school districts into 2 or more parts and which  
31 together include all of the parts into which such other unit  
32 school district or districts are so divided, for the first year  
33 during which the change of boundaries attributable to such

1 annexation or division becomes effective for all purposes as  
2 determined under Section 7-9 or 11A-10, as the case may be, the  
3 general State aid and supplemental general State aid calculated  
4 under this Section shall be computed for each annexing or  
5 resulting district as constituted after the annexation or  
6 division and for each annexing and annexed district, or for  
7 each resulting and divided district, as constituted prior to  
8 the annexation or division; and if the aggregate of the general  
9 State aid and supplemental general State aid as so computed for  
10 the annexing or resulting districts as constituted after the  
11 annexation or division is less than the aggregate of the  
12 general State aid and supplemental general State aid as so  
13 computed for the annexing and annexed districts, or for the  
14 resulting and divided districts, as constituted prior to the  
15 annexation or division, then a supplementary payment equal to  
16 the difference shall be made and allocated between or among the  
17 annexing or resulting districts, as constituted upon such  
18 annexation or division, for the first 4 years of their  
19 existence. The total difference payment shall be allocated  
20 between or among the annexing or resulting districts in the  
21 same ratio as the pupil enrollment from that portion of the  
22 annexed or divided district or districts which is annexed to or  
23 included in each such annexing or resulting district bears to  
24 the total pupil enrollment from the entire annexed or divided  
25 district or districts, as such pupil enrollment is determined  
26 for the school year last ending prior to the date when the  
27 change of boundaries attributable to the annexation or division  
28 becomes effective for all purposes. The amount of the total  
29 difference payment and the amount thereof to be allocated to  
30 the annexing or resulting districts shall be computed by the  
31 State Board of Education on the basis of pupil enrollment and  
32 other data which shall be certified to the State Board of  
33 Education, on forms which it shall provide for that purpose, by  
34 the regional superintendent of schools for each educational

1 service region in which the annexing and annexed districts, or  
2 resulting and divided districts are located.

3 (3.5) Claims for financial assistance under this  
4 subsection (I) shall not be recomputed except as expressly  
5 provided under this Section.

6 (4) Any supplementary payment made under this subsection  
7 (I) shall be treated as separate from all other payments made  
8 pursuant to this Section.

9 (J) Supplementary Grants in Aid.

10 (1) Notwithstanding any other provisions of this Section,  
11 the amount of the aggregate general State aid in combination  
12 with supplemental general State aid under this Section for  
13 which each school district is eligible shall be no less than  
14 the amount of the aggregate general State aid entitlement that  
15 was received by the district under Section 18-8 (exclusive of  
16 amounts received under subsections 5(p) and 5(p-5) of that  
17 Section) for the 1997-98 school year, pursuant to the  
18 provisions of that Section as it was then in effect. If a  
19 school district qualifies to receive a supplementary payment  
20 made under this subsection (J), the amount of the aggregate  
21 general State aid in combination with supplemental general  
22 State aid under this Section which that district is eligible to  
23 receive for each school year shall be no less than the amount  
24 of the aggregate general State aid entitlement that was  
25 received by the district under Section 18-8 (exclusive of  
26 amounts received under subsections 5(p) and 5(p-5) of that  
27 Section) for the 1997-1998 school year, pursuant to the  
28 provisions of that Section as it was then in effect.

29 (2) If, as provided in paragraph (1) of this subsection  
30 (J), a school district is to receive aggregate general State  
31 aid in combination with supplemental general State aid under  
32 this Section for the 1998-99 school year and any subsequent  
33 school year that in any such school year is less than the

1 amount of the aggregate general State aid entitlement that the  
2 district received for the 1997-98 school year, the school  
3 district shall also receive, from a separate appropriation made  
4 for purposes of this subsection (J), a supplementary payment  
5 that is equal to the amount of the difference in the aggregate  
6 State aid figures as described in paragraph (1).

7 (3) (Blank).

8 (K) Grants to Laboratory and Alternative Schools.

9 In calculating the amount to be paid to the governing board  
10 of a public university that operates a laboratory school under  
11 this Section or to any alternative school that is operated by a  
12 regional superintendent of schools, the State Board of  
13 Education shall require by rule such reporting requirements as  
14 it deems necessary.

15 As used in this Section, "laboratory school" means a public  
16 school which is created and operated by a public university and  
17 approved by the State Board of Education. The governing board  
18 of a public university which receives funds from the State  
19 Board under this subsection (K) may not increase the number of  
20 students enrolled in its laboratory school from a single  
21 district, if that district is already sending 50 or more  
22 students, except under a mutual agreement between the school  
23 board of a student's district of residence and the university  
24 which operates the laboratory school. A laboratory school may  
25 not have more than 1,000 students, excluding students with  
26 disabilities in a special education program.

27 As used in this Section, "alternative school" means a  
28 public school which is created and operated by a Regional  
29 Superintendent of Schools and approved by the State Board of  
30 Education. Such alternative schools may offer courses of  
31 instruction for which credit is given in regular school  
32 programs, courses to prepare students for the high school  
33 equivalency testing program or vocational and occupational



1 training. A regional superintendent of schools may contract  
2 with a school district or a public community college district  
3 to operate an alternative school. An alternative school serving  
4 more than one educational service region may be established by  
5 the regional superintendents of schools of the affected  
6 educational service regions. An alternative school serving  
7 more than one educational service region may be operated under  
8 such terms as the regional superintendents of schools of those  
9 educational service regions may agree.

10 Each laboratory and alternative school shall file, on forms  
11 provided by the State Superintendent of Education, an annual  
12 State aid claim which states the Average Daily Attendance of  
13 the school's students by month. The best 3 months' Average  
14 Daily Attendance shall be computed for each school. The general  
15 State aid entitlement shall be computed by multiplying the  
16 applicable Average Daily Attendance by the Foundation Level as  
17 determined under this Section.

18 (L) Payments, Additional Grants in Aid and Other Requirements.

19 (1) For a school district operating under the financial  
20 supervision of an Authority created under Article 34A, the  
21 general State aid otherwise payable to that district under this  
22 Section, but not the supplemental general State aid, shall be  
23 reduced by an amount equal to the budget for the operations of  
24 the Authority as certified by the Authority to the State Board  
25 of Education, and an amount equal to such reduction shall be  
26 paid to the Authority created for such district for its  
27 operating expenses in the manner provided in Section 18-11. The  
28 remainder of general State school aid for any such district  
29 shall be paid in accordance with Article 34A when that Article  
30 provides for a disposition other than that provided by this  
31 Article.

32 (2) (Blank).

33 (3) Summer school. Summer school payments shall be made as

1 provided in Section 18-4.3.

2 (M) Education Funding Advisory Board.

3 The Education Funding Advisory Board, hereinafter in this  
4 subsection (M) referred to as the "Board", is hereby created.  
5 The Board shall consist of 5 members who are appointed by the  
6 Governor, by and with the advice and consent of the Senate. The  
7 members appointed shall include representatives of education,  
8 business, and the general public. One of the members so  
9 appointed shall be designated by the Governor at the time the  
10 appointment is made as the chairperson of the Board. The  
11 initial members of the Board may be appointed any time after  
12 the effective date of this amendatory Act of 1997. The regular  
13 term of each member of the Board shall be for 4 years from the  
14 third Monday of January of the year in which the term of the  
15 member's appointment is to commence, except that of the 5  
16 initial members appointed to serve on the Board, the member who  
17 is appointed as the chairperson shall serve for a term that  
18 commences on the date of his or her appointment and expires on  
19 the third Monday of January, 2002, and the remaining 4 members,  
20 by lots drawn at the first meeting of the Board that is held  
21 after all 5 members are appointed, shall determine 2 of their  
22 number to serve for terms that commence on the date of their  
23 respective appointments and expire on the third Monday of  
24 January, 2001, and 2 of their number to serve for terms that  
25 commence on the date of their respective appointments and  
26 expire on the third Monday of January, 2000. All members  
27 appointed to serve on the Board shall serve until their  
28 respective successors are appointed and confirmed. Vacancies  
29 shall be filled in the same manner as original appointments. If  
30 a vacancy in membership occurs at a time when the Senate is not  
31 in session, the Governor shall make a temporary appointment  
32 until the next meeting of the Senate, when he or she shall  
33 appoint, by and with the advice and consent of the Senate, a

1 person to fill that membership for the unexpired term. If the  
2 Senate is not in session when the initial appointments are  
3 made, those appointments shall be made as in the case of  
4 vacancies.

5 The Education Funding Advisory Board shall be deemed  
6 established, and the initial members appointed by the Governor  
7 to serve as members of the Board shall take office, on the date  
8 that the Governor makes his or her appointment of the fifth  
9 initial member of the Board, whether those initial members are  
10 then serving pursuant to appointment and confirmation or  
11 pursuant to temporary appointments that are made by the  
12 Governor as in the case of vacancies.

13 The State Board of Education shall provide such staff  
14 assistance to the Education Funding Advisory Board as is  
15 reasonably required for the proper performance by the Board of  
16 its responsibilities.

17 For school years after the 2000-2001 school year, the  
18 Education Funding Advisory Board, in consultation with the  
19 State Board of Education, shall make recommendations as  
20 provided in this subsection (M) to the General Assembly for the  
21 foundation level under subdivision (B)(3) of this Section and  
22 for the supplemental general State aid grant level under  
23 subsection (H) of this Section for districts with high  
24 concentrations of children from poverty. The recommended  
25 foundation level shall be determined based on a methodology  
26 which incorporates the basic education expenditures of  
27 low-spending schools exhibiting high academic performance. The  
28 Education Funding Advisory Board shall make such  
29 recommendations to the General Assembly on January 1 of odd  
30 numbered years, beginning January 1, 2001.

31 (N) (Blank).

32 (O) References.

1 (1) References in other laws to the various subdivisions of  
2 Section 18-8 as that Section existed before its repeal and  
3 replacement by this Section 18-8.05 shall be deemed to refer to  
4 the corresponding provisions of this Section 18-8.05, to the  
5 extent that those references remain applicable.

6 (2) References in other laws to State Chapter 1 funds shall  
7 be deemed to refer to the supplemental general State aid  
8 provided under subsection (H) of this Section.

9 (Source: P.A. 92-16, eff. 6-28-01; 92-28, eff. 7-1-01; 92-29,  
10 eff. 7-1-01; 92-269, eff. 8-7-01; 92-604, eff. 7-1-02; 92-636,  
11 eff. 7-11-02; 92-651, eff. 7-11-02; 93-21, eff. 7-1-03.)

12 Section 40. The Criminal Code of 1961 is amended by  
13 changing Section 17A-1 as follows:

14 (720 ILCS 5/17A-1) (from Ch. 38, par. 17A-1)

15 Sec. 17A-1. Persons under deportation order; ineligible  
16 for benefits. An individual against whom a United States  
17 Immigration Judge has issued an order of deportation which has  
18 been affirmed by the Board of Immigration Review, as well as an  
19 individual who appeals such an order pending appeal, under  
20 paragraph 19 of Section 241(a) of the Immigration and  
21 Nationality Act relating to persecution of others on account of  
22 race, religion, national origin or political opinion under the  
23 direction of or in association with the Nazi government of  
24 Germany or its allies, shall be ineligible for the following  
25 benefits authorized by State law:

26 (a) The homestead exemptions ~~exemption~~ and homestead  
27 improvement exemption under Sections 15-170, 15-175, 15-176,  
28 and 15-180 of the Property Tax Code.

29 (b) Grants under the Senior Citizens and Disabled Persons  
30 Property Tax Relief and Pharmaceutical Assistance Act.

31 (c) The double income tax exemption conferred upon persons  
32 65 years of age or older by Section 204 of the Illinois Income

1 Tax Act.

2 (d) Grants provided by the Department on Aging.

3 (e) Reductions in vehicle registration fees under Section  
4 3-806.3 of the Illinois Vehicle Code.

5 (f) Free fishing and reduced fishing license fees under  
6 Sections 20-5 and 20-40 of the Fish and Aquatic Life Code.

7 (g) Tuition free courses for senior citizens under the  
8 Senior Citizen Courses Act.

9 (h) Any benefits under the Illinois Public Aid Code.

10 (Source: P.A. 87-895; 88-670, eff. 12-2-94.)

11 Section 90. The State Mandates Act is amended by adding  
12 Section 8.28 as follows:

13 (30 ILCS 805/8.28 new)

14 Sec. 8.28. Exempt mandate. Notwithstanding Sections 6 and 8  
15 of this Act, no reimbursement by the State is required for the  
16 implementation of any mandate created by the General Homestead  
17 Exemption under Section 15-176 of the Property Tax Code.

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