

1                                    AMENDMENT TO SENATE BILL 1592

2            AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1592 by replacing  
3 everything after the enacting clause with the following:

4            "Section 5. The Property Tax Code is amended by changing  
5 Sections 15-172 and 15-180 as follows:

6            (35 ILCS 200/15-172)

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

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

11            (b) As used in this Section:

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

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

18            "Base year" means the taxable year prior to the taxable  
19 year for which the applicant first qualifies and applies for  
20 the exemption provided that in the prior taxable year the  
21 property was improved with a permanent structure that was  
22 occupied as a residence by the applicant who was liable for

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

28 "Chief County Assessment Officer" means the County  
29 Assessor or Supervisor of Assessments of the county in which  
30 the property is located.

31 "Equalized assessed value" means the assessed value as  
32 equalized by the Illinois Department of Revenue.

33 "Household" means the applicant, the spouse of the  
34 applicant, and all persons using the residence of the

1 applicant as their principal place of residence.

2 "Household income" means the combined income of the  
3 members of a household for the calendar year preceding the  
4 taxable year.

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

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

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

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

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

30 (c) Beginning in taxable year 1994, a senior citizens  
31 assessment freeze homestead exemption is granted for real  
32 property that is improved with a permanent structure that is  
33 occupied as a residence by an applicant who (i) is 65 years  
34 of age or older during the taxable year, (ii) has a household

1 income of \$35,000 or less prior to taxable year 1999, or  
2 \$40,000 or less in taxable years year 1999 through 2002, or  
3 \$45,000 or less in taxable year 2003 and thereafter, (iii) is  
4 liable for paying real property taxes on the property, and  
5 (iv) is an owner of record of the property or has a legal or  
6 equitable interest in the property as evidenced by a written  
7 instrument. This homestead exemption shall also apply to a  
8 leasehold interest in a parcel of property improved with a  
9 permanent structure that is a single family residence that is  
10 occupied as a residence by a person who (i) is 65 years of  
11 age or older during the taxable year, (ii) has a household  
12 income of \$35,000 or less prior to taxable year 1999, or  
13 \$40,000 or less in taxable years year 1999 through 2002, or  
14 \$45,000 or less in taxable year 2003 and thereafter, (iii)  
15 has a legal or equitable ownership interest in the property  
16 as lessee, and (iv) is liable for the payment of real  
17 property taxes on that property.

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

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

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

32 In the case of land improved with an apartment building  
33 owned and operated as a cooperative or a building that is a  
34 life care facility that qualifies as a cooperative, the

1 maximum reduction from the equalized assessed value of the  
2 property is limited to the sum of the reductions calculated  
3 for each unit occupied as a residence by a person ~~or persons~~  
4 (i) 65 years of age or older, (ii) with a household income of  
5 \$35,000 or less prior to taxable year 1999, or \$40,000 or  
6 less in taxable years year 1999 through 2002, or \$45,000 or  
7 less in taxable year 2003 and thereafter, (iii) who is  
8 liable, by contract with the owner or owners of record, for  
9 paying real property taxes on the property, and (iv) who is  
10 an owner of record of a legal or equitable interest in the  
11 cooperative apartment building, other than a leasehold  
12 interest. In the instance of a cooperative where a homestead  
13 exemption has been granted under this Section, the  
14 cooperative association or its management firm shall credit  
15 the savings resulting from that exemption only to the  
16 apportioned tax liability of the owner who qualified for the  
17 exemption. Any person who willfully refuses to credit that  
18 savings to an owner who qualifies for the exemption is guilty  
19 of a Class B misdemeanor.

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

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

1 years.

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

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

34 Notwithstanding any other provision to the contrary, in

1 counties having fewer than 3,000,000 inhabitants, if an  
2 applicant fails to file the application required by this  
3 Section in a timely manner and this failure to file is due to  
4 a mental or physical condition sufficiently severe so as to  
5 render the applicant incapable of filing the application in a  
6 timely manner, the Chief County Assessment Officer may extend  
7 the filing deadline for a period of 30 days after the  
8 applicant regains the capability to file the application, but  
9 in no case may the filing deadline be extended beyond 3  
10 months of the original filing deadline. In order to receive  
11 the extension provided in this paragraph, the applicant shall  
12 provide the Chief County Assessment Officer with a signed  
13 statement from the applicant's physician stating the nature  
14 and extent of the condition, that, in the physician's  
15 opinion, the condition was so severe that it rendered the  
16 applicant incapable of filing the application in a timely  
17 manner, and the date on which the applicant regained the  
18 capability to file the application.

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

34 In counties having less than 3,000,000 inhabitants, if an

1 applicant was denied an exemption in taxable year 1994 and  
2 the denial occurred due to an error on the part of an  
3 assessment official, or his or her agent or employee, then  
4 beginning in taxable year 1997 the applicant's base year, for  
5 purposes of determining the amount of the exemption, shall be  
6 1993 rather than 1994. In addition, in taxable year 1997, the  
7 applicant's exemption shall also include an amount equal to  
8 (i) the amount of any exemption denied to the applicant in  
9 taxable year 1995 as a result of using 1994, rather than  
10 1993, as the base year, (ii) the amount of any exemption  
11 denied to the applicant in taxable year 1996 as a result of  
12 using 1994, rather than 1993, as the base year, and (iii) the  
13 amount of the exemption erroneously denied for taxable year  
14 1994.

15 For purposes of this Section, a person who will be 65  
16 years of age during the current taxable year shall be  
17 eligible to apply for the homestead exemption during that  
18 taxable year. Application shall be made during the  
19 application period in effect for the county of his or her  
20 residence.

21 The Chief County Assessment Officer may determine the  
22 eligibility of a life care facility that qualifies as a  
23 cooperative to receive the benefits provided by this Section  
24 by use of an affidavit, application, visual inspection,  
25 questionnaire, or other reasonable method in order to insure  
26 that the tax savings resulting from the exemption are  
27 credited by the management firm to the apportioned tax  
28 liability of each qualifying resident. The Chief County  
29 Assessment Officer may request reasonable proof that the  
30 management firm has so credited that exemption.

31 Except as provided in this Section, all information  
32 received by the chief county assessment officer or the  
33 Department from applications filed under this Section, or  
34 from any investigation conducted under the provisions of this



1 Section, shall be confidential, except for official purposes  
 2 or pursuant to official procedures for collection of any  
 3 State or local tax or enforcement of any civil or criminal  
 4 penalty or sanction imposed by this Act or by any statute or  
 5 ordinance imposing a State or local tax. Any person who  
 6 divulges any such information in any manner, except in  
 7 accordance with a proper judicial order, is guilty of a Class  
 8 A misdemeanor.

9 Nothing contained in this Section shall prevent the  
 10 Director or chief county assessment officer from publishing  
 11 or making available reasonable statistics concerning the  
 12 operation of the exemption contained in this Section in which  
 13 the contents of claims are grouped into aggregates in such a  
 14 way that information contained in any individual claim shall  
 15 not be disclosed.

16 (d) Each Chief County Assessment Officer shall annually  
 17 publish a notice of availability of the exemption provided  
 18 under this Section. The notice shall be published at least  
 19 60 days but no more than 75 days prior to the date on which  
 20 the application must be submitted to the Chief County  
 21 Assessment Officer of the county in which the property is  
 22 located. The notice shall appear in a newspaper of general  
 23 circulation in the county.

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

27 (Source: P.A. 90-14, eff. 7-1-97; 90-204, eff. 7-25-97;  
 28 90-523, eff. 11-13-97; 90-524, eff. 1-1-98; 90-531, eff.  
 29 1-1-98; 90-655, eff. 7-30-98; 91-45, eff. 6-30-99; 91-56,  
 30 eff. 6-30-99; 91-819, eff. 6-13-00.)

31 (35 ILCS 200/15-180)

32 Sec. 15-180. Homestead improvements. Homestead  
 33 properties that have been improved and residential structures

1 on homestead property that have been rebuilt following a  
2 catastrophic event are entitled to a homestead improvement  
3 exemption, limited to \$30,000 per year through December 31,  
4 1997, and \$45,000 beginning January 1, 1998 and through  
5 December 31, 2003, and \$75,000 per year for that homestead  
6 property beginning January 1, 2004 and thereafter, in fair  
7 cash value, when that property is owned and used exclusively  
8 for a residential purpose and upon demonstration that a  
9 proposed increase in assessed value is attributable solely to  
10 a new improvement of an existing structure or the rebuilding  
11 of a residential structure following a catastrophic event.  
12 To be eligible for an exemption under this Section after a  
13 catastrophic event, the residential structure must be rebuilt  
14 within 2 years after the catastrophic event. The exemption  
15 for rebuilt structures under this Section applies to the  
16 increase in value of the rebuilt structure over the value of  
17 the structure before the catastrophic event. The amount of  
18 the exemption shall be limited to the fair cash value added  
19 by the new improvement or rebuilding and shall continue for 4  
20 years from the date the improvement or rebuilding is  
21 completed and occupied, or until the next following general  
22 assessment of that property, whichever is later.

23 A proclamation of disaster by the President of the United  
24 States or Governor of the State of Illinois is not a  
25 prerequisite to the classification of an occurrence as a  
26 catastrophic event under this Section. A "catastrophic  
27 event" may include an occurrence of widespread or severe  
28 damage or loss of property resulting from any catastrophic  
29 cause including but not limited to fire, including arson  
30 (provided the fire was not caused by the willful action of an  
31 owner or resident of the property), flood, earthquake, wind,  
32 storm, explosion, or extended periods of severe inclement  
33 weather. In the case of a residential structure affected by  
34 flooding, the structure shall not be eligible for this

1 homestead improvement exemption unless it is located within a  
2 local jurisdiction which is participating in the National  
3 Flood Insurance Program.

4 In counties of less than 3,000,000 inhabitants, in  
5 addition to the notice requirement under Section 12-30, a  
6 supervisor of assessments, county assessor, or township or  
7 multi-township assessor responsible for adding an assessable  
8 improvement to a residential property's assessment shall  
9 either notify a taxpayer whose assessment has been changed  
10 since the last preceding assessment that he or she may be  
11 eligible for the exemption provided under this Section or  
12 shall grant the exemption automatically.

13 Beginning January 1, 1999, in counties of 3,000,000 or  
14 more inhabitants, an application for a homestead improvement  
15 exemption for a residential structure that has been rebuilt  
16 following a catastrophic event must be submitted to the Chief  
17 County Assessment Officer with a valuation complaint and a  
18 copy of the building permit to rebuild the structure. The  
19 Chief County Assessment Officer may require additional  
20 documentation which must be provided by the applicant.

21 (Source: P.A. 89-595, eff. 1-1-97; 89-690, eff. 6-1-97;  
22 90-14, eff. 7-1-97; 90-186, eff. 7-24-97; 90-655, eff.  
23 7-30-98; 90-704, eff. 8-7-98.)

24 Section 90. The State Mandates Act is amended by adding  
25 Section 8.27 as follows:

26 (30 ILCS 805/8.27 new)

27 Sec. 8.27. Exempt mandate. Notwithstanding Sections 6  
28 and 8 of this Act, no reimbursement by the State is required  
29 for the implementation of any mandate created by the Senior  
30 Citizens Assessment Freeze Homestead Exemption under Section  
31 15-172 of the Property Tax Code."