

1 AN ACT concerning taxes.

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

4 Section 5. The State Finance Act is amended by adding
5 Sections 5.595 and 6z-59 as follows:

6 (30 ILCS 105/5.595 new)

7 Sec. 5.595. The Tax Recovery Fund.

8 (30 ILCS 105/6z-59 new)

9 Sec. 6z-59. The Tax Recovery Fund. There is created in
10 the State treasury the Tax Recovery Fund. Through December
11 31, 2010, all moneys received from the rental, authorized
12 under Section 2705-555 of the Department of Transportation
13 Law of the Civil Administrative Code of Illinois, of land,
14 buildings, or improvements on property held for development
15 of an airport in Will County by the Department of
16 Transportation shall be remitted to the State Treasurer for
17 payment into the Tax Recovery Fund. Subject to appropriation,
18 the moneys in the Fund shall be expended with the following
19 priority: (1) to compensate taxing districts for leasehold
20 taxes then (2) to the General Revenue Fund less any money
21 necessary to pay maintenance and repair costs for that real
22 property. The tax compensation shall be determined in
23 accordance with Sections 9-195 and 15-55 of the Property Tax
24 Code. Expenditures for these purposes may be made by
25 Department of Transportation without regard to the fiscal
26 year in which tax compensation liability and property
27 maintenance and repair costs were incurred. Unexpended moneys
28 in the Fund shall not be transferred or allocated by the
29 Comptroller or Treasurer to any other fund nor shall the
30 Governor authorize the transfer or allocation of those moneys

1 to any other fund. After December 31, 2010, all moneys
 2 received from the rental, authorized under Section 2705-555
 3 of the Department of Transportation Law of the Civil
 4 Administrative Code of Illinois, of land, buildings, or
 5 improvements on property held for the development of an
 6 airport in Will County by the Department of Transportation
 7 shall not be remitted to the Tax Recovery Fund but shall
 8 instead be paid to the General Revenue Fund. The balance
 9 remaining in the Tax Recovery Fund on December 31, 2010 shall
 10 first be expended to compensate taxing districts for
 11 leasehold taxes for the 2010 tax assessment year, and then
 12 transferred to the General Revenue Fund for the purpose of
 13 debt service on State bonds issued to provide funds for
 14 airport land acquisition in Will County.

15 Section 10. The Property Tax Code is amended by changing
 16 Section 15-55 as follows:

17 (35 ILCS 200/15-55)

18 Sec. 15-55. State property. All property belonging to
 19 the State of Illinois is exempt. However, the State agency
 20 holding title shall file the certificate of ownership and use
 21 required by Section 15-10, together with a copy of any
 22 written lease or agreement, in effect on March 30 of the
 23 assessment year, concerning parcels of 1 acre or more, or an
 24 explanation of the terms of any oral agreement under which
 25 the property is leased, subleased or rented.

26 The leased property shall be assessed to the lessee and
 27 the taxes thereon extended and billed to the lessee, and
 28 collected in the same manner as for property which is not
 29 exempt. The lessee shall be liable for the taxes and no lien
 30 shall attach to the property of the State.

31 For the purposes of this Section, the word "leases"
 32 includes licenses, franchises, operating agreements and other

1 arrangements under which private individuals, associations or
2 corporations are granted the right to use property of the
3 Illinois State Toll Highway Authority and includes all
4 property of the Authority used by others without regard to
5 the size of the leased parcel.

6 However, all property of every kind belonging to the
7 State of Illinois, which is or may hereafter be leased to the
8 Illinois Prairie Path Corporation, shall be exempt from all
9 assessments, taxation or collection, despite the making of
10 any such lease, if it is used for:

11 (a) conservation, nature trail or any other
12 charitable, scientific, educational or recreational
13 purposes with public benefit, including the preserving
14 and aiding in the preservation of natural areas, objects,
15 flora, fauna or biotic communities;

16 (b) the establishment of footpaths, trails and
17 other protected areas;

18 (c) the conservation of the proper use of natural
19 resources or the promotion of the study of plant and
20 animal communities and of other phases of ecology,
21 natural history and conservation;

22 (d) the promotion of education in the fields of
23 nature, preservation and conservation; or

24 (e) similar public recreational activities
25 conducted by the Illinois Prairie Path Corporation.

26 No lien shall attach to the property of the State. No tax
27 liability shall become the obligation of or be enforceable
28 against Illinois Prairie Path Corporation.

29 However, the fair market rent of each parcel of real
30 property in Will County owned by the State of Illinois for
31 the purpose of developing an airport by the Department of
32 Transportation shall include the assessed value of leasehold
33 tax. The lessee of each parcel of real property in Will
34 County owned by the State of Illinois for the purpose of

1 developing an airport by the Department of Transportation
2 shall not be liable for the taxes thereon. In order for the
3 State to compensate taxing districts for the leasehold tax
4 under this paragraph the Will County Supervisor of
5 Assessments shall certify, in writing, to the Department of
6 Transportation, the amount of leasehold taxes extended for
7 the 2002 property tax year for each such exempt parcel. The
8 Department of Transportation shall pay to the Will County
9 Treasurer, from the Tax Recovery Fund, on or before July 1 of
10 each year, the amount of leasehold taxes for each such exempt
11 parcel as certified by the Will County Supervisor of
12 Assessments. The tax compensation shall terminate on December
13 31, 2010. It is the duty of the Department of Transportation
14 to file with the Office of the Will County Supervisor of
15 Assessments an affidavit stating the termination date for
16 rental of each such parcel due to airport construction. The
17 affidavit shall include the property identification number
18 for each such parcel. In no instance shall tax compensation
19 for property owned by the State be deemed delinquent or bear
20 interest. In no instance shall a lien attach to the property
21 of the State. In no instance shall the State be required to
22 pay leasehold tax compensation in excess of the Tax Recovery
23 Fund's balance.

24 Public Act 81-1026 applies to all leases or agreements
25 entered into or renewed on or after September 24, 1979.

26 (Source: P.A. 86-413; 88-455.)

27 Section 99. Effective date. This Act takes effect upon
28 becoming law.