



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB0276

Introduced 1/18/2005, by Rep. William B. Black

SYNOPSIS AS INTRODUCED:

35 ILCS 200/21-15
35 ILCS 200/21-20
35 ILCS 200/21-25

Amends the Property Tax Code. Provides that if an Illinois resident who is a member of the Illinois National Guard or a reserve component of the armed forces of the United States (now, applies only to reservists and there is no residency requirement) and who has an ownership interest in property taxed under the Code is called to active duty for deployment outside the continental United States and is on active duty on the due date of any installment of taxes due under the Code, he or she shall not be deemed delinquent in the payment of the installment and no interest shall accrue or be charged as a penalty on the installment until one year (now, 30 days) after that member returns from active duty. Requires notification of the county clerk within 30 days of deactivation, with failure to notify to result in penalties and interest accruing from the date of deactivation. Effective immediately.

LRB094 04087 BDD 34107 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning taxes.

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

4 Section 5. The Property Tax Code is amended by changing
5 Sections 21-15, 21-20, and 21-25 as follows:

6 (35 ILCS 200/21-15)

7 Sec. 21-15. General tax due dates; default by mortgage
8 lender. Except as otherwise provided in this Section or Section
9 21-40, all property upon which the first installment of taxes
10 remains unpaid on June 1 annually shall be deemed delinquent
11 and shall bear interest after June 1 at the rate of 1 1/2% per
12 month or portion thereof. Except as otherwise provided in this
13 Section or Section 21-40, all property upon which the second
14 installment of taxes remains due and unpaid on September 1,
15 annually, shall be deemed delinquent and shall bear interest
16 after September 1 at the same interest rate. All interest
17 collected shall be paid into the general fund of the county.
18 Payment received by mail and postmarked on or before the
19 required due date is not delinquent.

20 Property not subject to the interest charge in Section
21 9-260 or Section 9-265 shall also not be subject to the
22 interest charge imposed by this Section until such time as the
23 owner of the property receives actual notice of and is billed
24 for the principal amount of back taxes due and owing.

25 If an Illinois resident who is a member of the Illinois
26 National Guard or a reserve component of the armed forces of
27 the United States and who has an ownership interest in property
28 taxed under this Act is called to active duty for deployment
29 outside the continental United States and is on active duty on
30 the due date of any installment of taxes due under this Act, he
31 or she shall not be deemed delinquent in the payment of the
32 installment and no interest shall accrue or be charged as a

1 penalty on the installment until one year ~~30 days~~ after that
2 member returns from active duty. To be deemed not delinquent in
3 the payment of an installment of taxes and any interest on that
4 installment, the reservist or guardsperson must notify the
5 county clerk within 30 days after his or her deactivation and
6 provide verification of the date of his or her deactivation. An
7 installment of property taxes on the property of any reservist
8 or guardsperson who fails to provide timely notice and
9 verification of deactivation to the county clerk is subject to
10 interest and penalties as delinquent taxes under this Code from
11 the date of deactivation.

12 Notwithstanding any other provision of law, when any unpaid
13 taxes become delinquent under this Section through the fault of
14 the mortgage lender, (i) the interest assessed under this
15 Section for delinquent taxes shall be charged against the
16 mortgage lender and not the mortgagor and (ii) the mortgage
17 lender shall pay the taxes, redeem the property and take all
18 necessary steps to remove any liens accruing against the
19 property because of the delinquency. In the event that more
20 than one entity meets the definition of mortgage lender with
21 respect to any mortgage, the interest shall be assessed against
22 the mortgage lender responsible for servicing the mortgage.
23 Unpaid taxes shall be deemed delinquent through the fault of
24 the mortgage lender only if: (a) the mortgage lender has
25 received all payments due the mortgage lender for the property
26 being taxed under the written terms of the mortgage or
27 promissory note secured by the mortgage, (b) the mortgage
28 lender holds funds in escrow to pay the taxes, and (c) the
29 funds are sufficient to pay the taxes after deducting all
30 amounts reasonably anticipated to become due for all hazard
31 insurance premiums and mortgage insurance premiums and any
32 other assessments to be paid from the escrow under the terms of
33 the mortgage. For purposes of this Section, an amount is
34 reasonably anticipated to become due if it is payable within 12
35 months from the time of determining the sufficiency of funds
36 held in escrow. Unpaid taxes shall not be deemed delinquent

1 through the fault of the mortgage lender if the mortgage lender
2 was directed in writing by the mortgagor not to pay the
3 property taxes, or if the failure to pay the taxes when due
4 resulted from inadequate or inaccurate parcel information
5 provided by the mortgagor, a title or abstract company, or by
6 the agency or unit of government assessing the tax.

7 (Source: P.A. 93-560, eff. 8-20-03.)

8 (35 ILCS 200/21-20)

9 Sec. 21-20. Due dates; accelerated billing in counties of
10 less than 3,000,000. Except as otherwise provided in Section
11 21-40, in counties with less than 3,000,000 inhabitants in
12 which the accelerated method of billing and paying taxes
13 provided for in Section 21-30 is in effect, the estimated first
14 installment of unpaid taxes shall be deemed delinquent and
15 shall bear interest after a date not later than June 1 annually
16 as provided for in the ordinance or resolution of the county
17 board adopting the accelerated method, at the rate of 1 1/2%
18 per month or portion thereof until paid or forfeited. The
19 second installment of unpaid taxes shall be deemed delinquent
20 and shall bear interest after August 1 annually at the same
21 interest rate until paid or forfeited. Payment received by mail
22 and postmarked on or before the required due date is not
23 delinquent.

24 If an Illinois resident who is a member of the Illinois
25 National Guard or a reserve component of the armed forces of
26 the United States and who has an ownership interest in property
27 taxed under this Act is called to active duty for deployment
28 outside the continental United States and is on active duty on
29 the due date of any installment of taxes due under this Act, he
30 or she shall not be deemed delinquent in the payment of the
31 installment and no interest shall accrue or be charged as a
32 penalty on the installment until one year ~~30 days~~ after that
33 member returns from active duty. To be deemed not delinquent in
34 the payment of an installment of taxes and any interest on that
35 installment, the reservist or guardsperson must notify the

1 county clerk within 30 days after his or her deactivation and
2 provide verification of the date of his or her deactivation. An
3 installment of property taxes on the property of any reservist
4 or guardsperson who fails to provide timely notice and
5 verification of deactivation to the county clerk is subject to
6 interest and penalties as delinquent taxes under this Code from
7 the date of deactivation.

8 (Source: P.A. 91-199, eff. 1-1-00; 91-898, eff. 7-6-00.)

9 (35 ILCS 200/21-25)

10 Sec. 21-25. Due dates; accelerated billing in counties of
11 3,000,000 or more. Except as hereinafter provided and as
12 provided in Section 21-40, in counties with 3,000,000 or more
13 inhabitants in which the accelerated method of billing and
14 paying taxes provided for in Section 21-30 is in effect, the
15 estimated first installment of unpaid taxes shall be deemed
16 delinquent and shall bear interest after March 1 at the rate of
17 1 1/2% per month or portion thereof until paid or forfeited.
18 The second installment of unpaid taxes shall be deemed
19 delinquent and shall bear interest after August 1 annually at
20 the same interest rate until paid or forfeited.

21 If the county board elects by ordinance adopted prior to
22 July 1 of a levy year to provide for taxes to be paid in 4
23 installments, each installment for that levy year and each
24 subsequent year shall be deemed delinquent and shall begin to
25 bear interest 30 days after the date specified by the ordinance
26 for mailing bills, at the rate of 1 1/2% per month or portion
27 thereof, until paid or forfeited.

28 Payment received by mail and postmarked on or before the
29 required due date is not delinquent.

30 Taxes levied on homestead property in which a member of the
31 National Guard or reserves of the armed forces of the United
32 States who was called to active duty on or after August 1,
33 1990, and who has an ownership interest, shall not be deemed
34 delinquent and no interest shall accrue or be charged as a
35 penalty on such taxes due and payable in 1991 or 1992 until one

1 year after that member returns to civilian status.

2 If an Illinois resident who is a member of the Illinois
3 National Guard or a reserve component of the armed forces of
4 the United States and who has an ownership interest in property
5 taxed under this Act is called to active duty for deployment
6 outside the continental United States and is on active duty on
7 the due date of any installment of taxes due under this Act, he
8 or she shall not be deemed delinquent in the payment of the
9 installment and no interest shall accrue or be charged as a
10 penalty on the installment until one year ~~30 days~~ after that
11 member returns to civilian status. To be deemed not delinquent
12 in the payment of an installment of taxes and any interest on
13 that installment, the reservist or guardsperson must notify the
14 county clerk within 30 days after his or her deactivation and
15 provide verification of the date of his or her deactivation. An
16 installment of property taxes on the property of any reservist
17 or guardsperson who fails to provide timely notice and
18 verification of deactivation to the county clerk is subject to
19 interest and penalties as delinquent taxes under this Code from
20 the date of deactivation.

21 (Source: P.A. 91-199, eff. 1-1-00; 91-898, eff. 7-6-00.)

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