

**HB4393**



**94TH GENERAL ASSEMBLY**

**State of Illinois**

**2005 and 2006**

**HB4393**

Introduced 1/4/2006, by Rep. Robert W. Churchill

**SYNOPSIS AS INTRODUCED:**

320 ILCS 30/3

from Ch. 67 1/2, par. 453

Amends the Senior Citizens Real Estate Tax Deferral Act. Changes the application deadline for the deferral from March 1 of each year to April 1 of each year. Effective immediately.

LRB094 15423 BDD 50617 b

FISCAL NOTE ACT  
MAY APPLY

HOUSING  
AFFORDABILITY  
IMPACT NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

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

4 Section 5. The Senior Citizens Real Estate Tax Deferral Act  
5 is amended by changing Section 3 as follows:

6 (320 ILCS 30/3) (from Ch. 67 1/2, par. 453)

7 Sec. 3. A taxpayer may, on or before April ~~March~~ 1 of each  
8 year, apply to the county collector of the county where his  
9 qualifying property is located, or to the official designated  
10 by a unit of local government to collect special assessments on  
11 the qualifying property, as the case may be, for a deferral of  
12 all or a part of real estate taxes payable during that year for  
13 the preceding year in the case of real estate taxes other than  
14 special assessments, or for a deferral of any installments  
15 payable during that year in the case of special assessments, on  
16 all or part of his qualifying property. The application shall  
17 be on a form prescribed by the Department and furnished by the  
18 collector, (a) showing that the applicant will be 65 years of  
19 age or older by June 1 of the year for which a tax deferral is  
20 claimed, (b) describing the property and verifying that the  
21 property is qualifying property as defined in Section 2, (c)  
22 certifying that the taxpayer has owned and occupied as his  
23 residence such property or other qualifying property in the  
24 State for at least the last 3 years except for any periods  
25 during which the taxpayer may have temporarily resided in a  
26 nursing or sheltered care home, and (d) specifying whether the  
27 deferral is for all or a part of the taxes, and, if for a part,  
28 the amount of deferral applied for. As to qualifying property  
29 not having a separate assessed valuation, the taxpayer shall  
30 also file with the county collector a written appraisal of the  
31 property prepared by a qualified real estate appraiser together  
32 with a certificate signed by the appraiser stating that he has

1 personally examined the property and setting forth the value of  
2 the land and the value of the buildings thereon occupied by the  
3 taxpayer as his residence.

4 The collector shall grant the tax deferral provided such  
5 deferral does not exceed funds available in the Senior Citizens  
6 Real Estate Deferred Tax Revolving Fund and provided that the  
7 owner or owners of such real property have entered into a tax  
8 deferral and recovery agreement with the collector on behalf of  
9 the county or other unit of local government, which agreement  
10 expressly states:

11 (1) That the total amount of taxes deferred under this Act,  
12 plus interest, for the year for which a tax deferral is claimed  
13 as well as for those previous years for which taxes are not  
14 delinquent and for which such deferral has been claimed may not  
15 exceed 80% of the taxpayer's equity interest in the property  
16 for which taxes are to be deferred and that, if the total  
17 deferred taxes plus interest equals 80% of the taxpayer's  
18 equity interest in the property, the taxpayer shall thereafter  
19 pay the annual interest due on such deferred taxes plus  
20 interest so that total deferred taxes plus interest will not  
21 exceed such 80% of the taxpayer's equity interest in the  
22 property.

23 (2) That any real estate taxes deferred under this Act and  
24 any interest accrued thereon at the rate of 6% per year are a  
25 lien on the real estate and improvements thereon until paid. No  
26 sale or transfer of such real property may be legally closed  
27 and recorded until the taxes which would otherwise have been  
28 due on the property, plus accrued interest, have been paid  
29 unless the collector certifies in writing that an arrangement  
30 for prompt payment of the amount due has been made with his  
31 office. The same shall apply if the property is to be made the  
32 subject of a contract of sale.

33 (3) That upon the death of the taxpayer claiming the  
34 deferral the heirs-at-law, assignees or legatees shall have  
35 first priority to the real property upon which taxes have been  
36 deferred by paying in full the total taxes which would

1 otherwise have been due, plus interest. However, if such  
2 heir-at-law, assignee, or legatee is a surviving spouse, the  
3 tax deferred status of the property shall be continued during  
4 the life of that surviving spouse if the spouse is 55 years of  
5 age or older within 6 months of the date of death of the  
6 taxpayer and enters into a tax deferral and recovery agreement  
7 before the time when deferred taxes become due under this  
8 Section. Any additional taxes deferred, plus interest, on the  
9 real property under a tax deferral and recovery agreement  
10 signed by a surviving spouse shall be added to the taxes and  
11 interest which would otherwise have been due, and the payment  
12 of which has been postponed during the life of such surviving  
13 spouse, in determining the 80% equity requirement provided by  
14 this Section.

15 (4) That if the taxes due, plus interest, are not paid by  
16 the heir-at-law, assignee or legatee or if payment is not  
17 postponed during the life of a surviving spouse, the deferred  
18 taxes and interest shall be recovered from the estate of the  
19 taxpayer within one year of the date of his death. In addition,  
20 deferred real estate taxes and any interest accrued thereon are  
21 due within 90 days after any tax deferred property ceases to be  
22 qualifying property as defined in Section 2.

23 If payment is not made when required by this Section,  
24 foreclosure proceedings may be instituted under the Property  
25 Tax Code.

26 (5) That any joint owner has given written prior approval  
27 for such agreement, which written approval shall be made a part  
28 of such agreement.

29 (6) That a guardian for a person under legal disability  
30 appointed for a taxpayer who otherwise qualifies under this Act  
31 may act for the taxpayer in complying with this Act.

32 (7) That a taxpayer or his agent has provided to the  
33 satisfaction of the collector, sufficient evidence that the  
34 qualifying property on which the taxes are to be deferred is  
35 insured against fire or casualty loss for at least the total  
36 amount of taxes which have been deferred.

1           If the taxes to be deferred are special assessments, the  
2           unit of local government making the assessments shall forward a  
3           copy of the agreement entered into pursuant to this Section and  
4           the bills for such assessments to the county collector of the  
5           county in which the qualifying property is located.

6           (Source: P.A. 90-170, eff. 7-23-97; 91-357, eff. 7-29-99.)

7           Section 99. Effective date. This Act takes effect upon  
8           becoming law.