



Rep. Michael Tryon

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1 AMENDMENT TO HOUSE BILL 4735

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 4735, AS AMENDED, by  
3 replacing everything after the enacting clause with the  
4 following:

5 "Section 5. The Property Tax Code is amended by changing  
6 Sections 18-135 and 18-185 as follows:

7 (35 ILCS 200/18-135)

8 Sec. 18-135. Taxing district in 2 or more counties.

9 (a) Notwithstanding any other provisions to the contrary,  
10 in counties which have an overlapping taxing district or  
11 districts that extend into one or more other counties, the  
12 county clerk, upon receipt of the assessments from the Board of  
13 Review or Board of Appeals, and of the equalization factor from  
14 the Department, may use estimated valuations or estimated  
15 rates, as provided in subsection (b) of this Section, for the  
16 overlapping taxing district or districts if the county clerk in  
17 any other county into which the overlapping taxing district or  
18 districts extend cannot certify the actual valuations or rates  
19 for the district or districts.

20 (b) If the county clerk of a county which has an  
21 overlapping taxing district which extends into another county  
22 has not received the certified valuations or rates from the  
23 county clerk of any county into which such districts overlap,  
24 he or she may subsequent to March 15, make written demand for

1 actual or estimated valuations or rates upon the county clerk  
2 of that county. Within 10 days of receiving a written demand,  
3 the county clerk receiving the demand shall furnish certified  
4 or estimated valuations or rates for the overlapping taxing  
5 district, as pertaining to his or her county, to the county  
6 clerk who made the request. If no valuations or rates are  
7 received, the requesting county may make the estimate.

8 (c) If the use of estimated valuations or rates results in  
9 over or under extension for the overlapping taxing district in  
10 the county using estimated valuations or rates, the county  
11 clerk shall make appropriate adjustments in the subsequent  
12 year. Any adjustments necessitated by the estimation procedure  
13 authorized by this Section shall be made by increasing or  
14 decreasing the tax extension by fund for each taxing district  
15 where the estimation procedures were used.

16 (d) For taxing districts subject to the Property Tax  
17 Extension Limitation Law, the adjustment for paragraph (c)  
18 shall be made after the limiting rate has been calculated using  
19 the aggregate extension base, as defined in Section 18-185,  
20 adjusted for the over or under extension due to the use of an  
21 estimated valuation by the county on the last preceding  
22 aggregate extension.

23 (Source: P.A. 90-291, eff. 1-1-98.)

24 (35 ILCS 200/18-185)

25 Sec. 18-185. Short title; definitions. This Division 5 may  
26 be cited as the Property Tax Extension Limitation Law. As used  
27 in this Division 5:

28 "Consumer Price Index" means the Consumer Price Index for  
29 All Urban Consumers for all items published by the United  
30 States Department of Labor.

31 "Extension limitation" means (a) the lesser of 5% or the  
32 percentage increase in the Consumer Price Index during the  
33 12-month calendar year preceding the levy year or (b) the rate

1 of increase approved by voters under Section 18-205.

2 "Affected county" means a county of 3,000,000 or more  
3 inhabitants or a county contiguous to a county of 3,000,000 or  
4 more inhabitants.

5 "Taxing district" has the same meaning provided in Section  
6 1-150, except as otherwise provided in this Section. For the  
7 1991 through 1994 levy years only, "taxing district" includes  
8 only each non-home rule taxing district having the majority of  
9 its 1990 equalized assessed value within any county or counties  
10 contiguous to a county with 3,000,000 or more inhabitants.  
11 Beginning with the 1995 levy year, "taxing district" includes  
12 only each non-home rule taxing district subject to this Law  
13 before the 1995 levy year and each non-home rule taxing  
14 district not subject to this Law before the 1995 levy year  
15 having the majority of its 1994 equalized assessed value in an  
16 affected county or counties. Beginning with the levy year in  
17 which this Law becomes applicable to a taxing district as  
18 provided in Section 18-213, "taxing district" also includes  
19 those taxing districts made subject to this Law as provided in  
20 Section 18-213.

21 "Aggregate extension" for taxing districts to which this  
22 Law applied before the 1995 levy year means the annual  
23 corporate extension for the taxing district and those special  
24 purpose extensions that are made annually for the taxing  
25 district, excluding special purpose extensions: (a) made for  
26 the taxing district to pay interest or principal on general  
27 obligation bonds that were approved by referendum; (b) made for  
28 any taxing district to pay interest or principal on general  
29 obligation bonds issued before October 1, 1991; (c) made for  
30 any taxing district to pay interest or principal on bonds  
31 issued to refund or continue to refund those bonds issued  
32 before October 1, 1991; (d) made for any taxing district to pay  
33 interest or principal on bonds issued to refund or continue to  
34 refund bonds issued after October 1, 1991 that were approved by

1 referendum; (e) made for any taxing district to pay interest or  
2 principal on revenue bonds issued before October 1, 1991 for  
3 payment of which a property tax levy or the full faith and  
4 credit of the unit of local government is pledged; however, a  
5 tax for the payment of interest or principal on those bonds  
6 shall be made only after the governing body of the unit of  
7 local government finds that all other sources for payment are  
8 insufficient to make those payments; (f) made for payments  
9 under a building commission lease when the lease payments are  
10 for the retirement of bonds issued by the commission before  
11 October 1, 1991, to pay for the building project; (g) made for  
12 payments due under installment contracts entered into before  
13 October 1, 1991; (h) made for payments of principal and  
14 interest on bonds issued under the Metropolitan Water  
15 Reclamation District Act to finance construction projects  
16 initiated before October 1, 1991; (i) made for payments of  
17 principal and interest on limited bonds, as defined in Section  
18 3 of the Local Government Debt Reform Act, in an amount not to  
19 exceed the debt service extension base less the amount in items  
20 (b), (c), (e), and (h) of this definition for non-referendum  
21 obligations, except obligations initially issued pursuant to  
22 referendum; (j) made for payments of principal and interest on  
23 bonds issued under Section 15 of the Local Government Debt  
24 Reform Act; (k) made by a school district that participates in  
25 the Special Education District of Lake County, created by  
26 special education joint agreement under Section 10-22.31 of the  
27 School Code, for payment of the school district's share of the  
28 amounts required to be contributed by the Special Education  
29 District of Lake County to the Illinois Municipal Retirement  
30 Fund under Article 7 of the Illinois Pension Code; the amount  
31 of any extension under this item (k) shall be certified by the  
32 school district to the county clerk; (l) made to fund expenses  
33 of providing joint recreational programs for the handicapped  
34 under Section 5-8 of the Park District Code or Section 11-95-14

1 of the Illinois Municipal Code; (m) made for temporary  
2 relocation loan repayment purposes pursuant to Sections 2-3.77  
3 and 17-2.2d of the School Code; ~~and~~ (n) made for payment of  
4 principal and interest on any bonds issued under the authority  
5 of Section 17-2.2d of the School Code; and (o) ~~(m)~~ made for  
6 contributions to a firefighter's pension fund created under  
7 Article 4 of the Illinois Pension Code, to the extent of the  
8 amount certified under item (5) of Section 4-134 of the  
9 Illinois Pension Code.

10 "Aggregate extension" for the taxing districts to which  
11 this Law did not apply before the 1995 levy year (except taxing  
12 districts subject to this Law in accordance with Section  
13 18-213) means the annual corporate extension for the taxing  
14 district and those special purpose extensions that are made  
15 annually for the taxing district, excluding special purpose  
16 extensions: (a) made for the taxing district to pay interest or  
17 principal on general obligation bonds that were approved by  
18 referendum; (b) made for any taxing district to pay interest or  
19 principal on general obligation bonds issued before March 1,  
20 1995; (c) made for any taxing district to pay interest or  
21 principal on bonds issued to refund or continue to refund those  
22 bonds issued before March 1, 1995; (d) made for any taxing  
23 district to pay interest or principal on bonds issued to refund  
24 or continue to refund bonds issued after March 1, 1995 that  
25 were approved by referendum; (e) made for any taxing district  
26 to pay interest or principal on revenue bonds issued before  
27 March 1, 1995 for payment of which a property tax levy or the  
28 full faith and credit of the unit of local government is  
29 pledged; however, a tax for the payment of interest or  
30 principal on those bonds shall be made only after the governing  
31 body of the unit of local government finds that all other  
32 sources for payment are insufficient to make those payments;  
33 (f) made for payments under a building commission lease when  
34 the lease payments are for the retirement of bonds issued by

1 the commission before March 1, 1995 to pay for the building  
2 project; (g) made for payments due under installment contracts  
3 entered into before March 1, 1995; (h) made for payments of  
4 principal and interest on bonds issued under the Metropolitan  
5 Water Reclamation District Act to finance construction  
6 projects initiated before October 1, 1991; (h-4) made for  
7 stormwater management purposes by the Metropolitan Water  
8 Reclamation District of Greater Chicago under Section 12 of the  
9 Metropolitan Water Reclamation District Act; (i) made for  
10 payments of principal and interest on limited bonds, as defined  
11 in Section 3 of the Local Government Debt Reform Act, in an  
12 amount not to exceed the debt service extension base less the  
13 amount in items (b), (c), and (e) of this definition for  
14 non-referendum obligations, except obligations initially  
15 issued pursuant to referendum and bonds described in subsection  
16 (h) of this definition; (j) made for payments of principal and  
17 interest on bonds issued under Section 15 of the Local  
18 Government Debt Reform Act; (k) made for payments of principal  
19 and interest on bonds authorized by Public Act 88-503 and  
20 issued under Section 20a of the Chicago Park District Act for  
21 aquarium or museum projects; (l) made for payments of principal  
22 and interest on bonds authorized by Public Act 87-1191 or  
23 93-601 and (i) issued pursuant to Section 21.2 of the Cook  
24 County Forest Preserve District Act, (ii) issued under Section  
25 42 of the Cook County Forest Preserve District Act for  
26 zoological park projects, or (iii) issued under Section 44.1 of  
27 the Cook County Forest Preserve District Act for botanical  
28 gardens projects; (m) made pursuant to Section 34-53.5 of the  
29 School Code, whether levied annually or not; (n) made to fund  
30 expenses of providing joint recreational programs for the  
31 handicapped under Section 5-8 of the Park District Code or  
32 Section 11-95-14 of the Illinois Municipal Code; (o) made by  
33 the Chicago Park District for recreational programs for the  
34 handicapped under subsection (c) of Section 7.06 of the Chicago

1 Park District Act; and (p) made for contributions to a  
2 firefighter's pension fund created under Article 4 of the  
3 Illinois Pension Code, to the extent of the amount certified  
4 under item (5) of Section 4-134 of the Illinois Pension Code.

5 "Aggregate extension" for all taxing districts to which  
6 this Law applies in accordance with Section 18-213, except for  
7 those taxing districts subject to paragraph (2) of subsection  
8 (e) of Section 18-213, means the annual corporate extension for  
9 the taxing district and those special purpose extensions that  
10 are made annually for the taxing district, excluding special  
11 purpose extensions: (a) made for the taxing district to pay  
12 interest or principal on general obligation bonds that were  
13 approved by referendum; (b) made for any taxing district to pay  
14 interest or principal on general obligation bonds issued before  
15 the date on which the referendum making this Law applicable to  
16 the taxing district is held; (c) made for any taxing district  
17 to pay interest or principal on bonds issued to refund or  
18 continue to refund those bonds issued before the date on which  
19 the referendum making this Law applicable to the taxing  
20 district is held; (d) made for any taxing district to pay  
21 interest or principal on bonds issued to refund or continue to  
22 refund bonds issued after the date on which the referendum  
23 making this Law applicable to the taxing district is held if  
24 the bonds were approved by referendum after the date on which  
25 the referendum making this Law applicable to the taxing  
26 district is held; (e) made for any taxing district to pay  
27 interest or principal on revenue bonds issued before the date  
28 on which the referendum making this Law applicable to the  
29 taxing district is held for payment of which a property tax  
30 levy or the full faith and credit of the unit of local  
31 government is pledged; however, a tax for the payment of  
32 interest or principal on those bonds shall be made only after  
33 the governing body of the unit of local government finds that  
34 all other sources for payment are insufficient to make those

1 payments; (f) made for payments under a building commission  
2 lease when the lease payments are for the retirement of bonds  
3 issued by the commission before the date on which the  
4 referendum making this Law applicable to the taxing district is  
5 held to pay for the building project; (g) made for payments due  
6 under installment contracts entered into before the date on  
7 which the referendum making this Law applicable to the taxing  
8 district is held; (h) made for payments of principal and  
9 interest on limited bonds, as defined in Section 3 of the Local  
10 Government Debt Reform Act, in an amount not to exceed the debt  
11 service extension base less the amount in items (b), (c), and  
12 (e) of this definition for non-referendum obligations, except  
13 obligations initially issued pursuant to referendum; (i) made  
14 for payments of principal and interest on bonds issued under  
15 Section 15 of the Local Government Debt Reform Act; (j) made  
16 for a qualified airport authority to pay interest or principal  
17 on general obligation bonds issued for the purpose of paying  
18 obligations due under, or financing airport facilities  
19 required to be acquired, constructed, installed or equipped  
20 pursuant to, contracts entered into before March 1, 1996 (but  
21 not including any amendments to such a contract taking effect  
22 on or after that date); (k) made to fund expenses of providing  
23 joint recreational programs for the handicapped under Section  
24 5-8 of the Park District Code or Section 11-95-14 of the  
25 Illinois Municipal Code; and (l) made for contributions to a  
26 firefighter's pension fund created under Article 4 of the  
27 Illinois Pension Code, to the extent of the amount certified  
28 under item (5) of Section 4-134 of the Illinois Pension Code.

29 "Aggregate extension" for all taxing districts to which  
30 this Law applies in accordance with paragraph (2) of subsection  
31 (e) of Section 18-213 means the annual corporate extension for  
32 the taxing district and those special purpose extensions that  
33 are made annually for the taxing district, excluding special  
34 purpose extensions: (a) made for the taxing district to pay



1 interest or principal on general obligation bonds that were  
2 approved by referendum; (b) made for any taxing district to pay  
3 interest or principal on general obligation bonds issued before  
4 the effective date of this amendatory Act of 1997; (c) made for  
5 any taxing district to pay interest or principal on bonds  
6 issued to refund or continue to refund those bonds issued  
7 before the effective date of this amendatory Act of 1997; (d)  
8 made for any taxing district to pay interest or principal on  
9 bonds issued to refund or continue to refund bonds issued after  
10 the effective date of this amendatory Act of 1997 if the bonds  
11 were approved by referendum after the effective date of this  
12 amendatory Act of 1997; (e) made for any taxing district to pay  
13 interest or principal on revenue bonds issued before the  
14 effective date of this amendatory Act of 1997 for payment of  
15 which a property tax levy or the full faith and credit of the  
16 unit of local government is pledged; however, a tax for the  
17 payment of interest or principal on those bonds shall be made  
18 only after the governing body of the unit of local government  
19 finds that all other sources for payment are insufficient to  
20 make those payments; (f) made for payments under a building  
21 commission lease when the lease payments are for the retirement  
22 of bonds issued by the commission before the effective date of  
23 this amendatory Act of 1997 to pay for the building project;  
24 (g) made for payments due under installment contracts entered  
25 into before the effective date of this amendatory Act of 1997;  
26 (h) made for payments of principal and interest on limited  
27 bonds, as defined in Section 3 of the Local Government Debt  
28 Reform Act, in an amount not to exceed the debt service  
29 extension base less the amount in items (b), (c), and (e) of  
30 this definition for non-referendum obligations, except  
31 obligations initially issued pursuant to referendum; (i) made  
32 for payments of principal and interest on bonds issued under  
33 Section 15 of the Local Government Debt Reform Act; (j) made  
34 for a qualified airport authority to pay interest or principal

1 on general obligation bonds issued for the purpose of paying  
2 obligations due under, or financing airport facilities  
3 required to be acquired, constructed, installed or equipped  
4 pursuant to, contracts entered into before March 1, 1996 (but  
5 not including any amendments to such a contract taking effect  
6 on or after that date); (k) made to fund expenses of providing  
7 joint recreational programs for the handicapped under Section  
8 5-8 of the Park District Code or Section 11-95-14 of the  
9 Illinois Municipal Code; and (l) made for contributions to a  
10 firefighter's pension fund created under Article 4 of the  
11 Illinois Pension Code, to the extent of the amount certified  
12 under item (5) of Section 4-134 of the Illinois Pension Code.

13 "Debt service extension base" means an amount equal to that  
14 portion of the extension for a taxing district for the 1994  
15 levy year, or for those taxing districts subject to this Law in  
16 accordance with Section 18-213, except for those subject to  
17 paragraph (2) of subsection (e) of Section 18-213, for the levy  
18 year in which the referendum making this Law applicable to the  
19 taxing district is held, or for those taxing districts subject  
20 to this Law in accordance with paragraph (2) of subsection (e)  
21 of Section 18-213 for the 1996 levy year, constituting an  
22 extension for payment of principal and interest on bonds issued  
23 by the taxing district without referendum, but not including  
24 excluded non-referendum bonds. For park districts (i) that were  
25 first subject to this Law in 1991 or 1995 and (ii) whose  
26 extension for the 1994 levy year for the payment of principal  
27 and interest on bonds issued by the park district without  
28 referendum (but not including excluded non-referendum bonds)  
29 was less than 51% of the amount for the 1991 levy year  
30 constituting an extension for payment of principal and interest  
31 on bonds issued by the park district without referendum (but  
32 not including excluded non-referendum bonds), "debt service  
33 extension base" means an amount equal to that portion of the  
34 extension for the 1991 levy year constituting an extension for

1 payment of principal and interest on bonds issued by the park  
2 district without referendum (but not including excluded  
3 non-referendum bonds). The debt service extension base may be  
4 established or increased as provided under Section 18-212.  
5 "Excluded non-referendum bonds" means (i) bonds authorized by  
6 Public Act 88-503 and issued under Section 20a of the Chicago  
7 Park District Act for aquarium and museum projects; (ii) bonds  
8 issued under Section 15 of the Local Government Debt Reform  
9 Act; or (iii) refunding obligations issued to refund or to  
10 continue to refund obligations initially issued pursuant to  
11 referendum.

12 "Special purpose extensions" include, but are not limited  
13 to, extensions for levies made on an annual basis for  
14 unemployment and workers' compensation, self-insurance,  
15 contributions to pension plans, and extensions made pursuant to  
16 Section 6-601 of the Illinois Highway Code for a road  
17 district's permanent road fund whether levied annually or not.  
18 The extension for a special service area is not included in the  
19 aggregate extension.

20 "Aggregate extension base" means the taxing district's  
21 last preceding aggregate extension as adjusted under Sections  
22 18-135, 18-215, and through 18-230. An adjustment under Section  
23 18-135 shall be made for the 2005 levy year and all subsequent  
24 levy years whenever one or more counties within which a taxing  
25 district is located (i) used estimated valuations or rates when  
26 extending taxes in the taxing district for the last preceding  
27 levy year that resulted in the over or under extension of  
28 taxes, or (ii) increased or decreased the tax extension for the  
29 last preceding levy year as required by Section 18-135(c).  
30 Whenever an adjustment is required under Section 18-135, the  
31 aggregate extension base of the taxing district shall be equal  
32 to the amount that the aggregate extension of the taxing  
33 district would have been for the last preceding levy year if  
34 either or both (i) actual, rather than estimated, valuations or

1 rates had been used to calculate the extension of taxes for the  
2 last levy year, or (ii) the tax extension for the last  
3 preceding levy year had not been adjusted as required by  
4 subsection (c) of Section 18-135.

5 "Levy year" has the same meaning as "year" under Section  
6 1-155.

7 "New property" means (i) the assessed value, after final  
8 board of review or board of appeals action, of new improvements  
9 or additions to existing improvements on any parcel of real  
10 property that increase the assessed value of that real property  
11 during the levy year multiplied by the equalization factor  
12 issued by the Department under Section 17-30, (ii) the assessed  
13 value, after final board of review or board of appeals action,  
14 of real property not exempt from real estate taxation, which  
15 real property was exempt from real estate taxation for any  
16 portion of the immediately preceding levy year, multiplied by  
17 the equalization factor issued by the Department under Section  
18 17-30, and (iii) in counties that classify in accordance with  
19 Section 4 of Article IX of the Illinois Constitution, an  
20 incentive property's additional assessed value resulting from  
21 a scheduled increase in the level of assessment as applied to  
22 the first year final board of review market value. In addition,  
23 the county clerk in a county containing a population of  
24 3,000,000 or more shall include in the 1997 recovered tax  
25 increment value for any school district, any recovered tax  
26 increment value that was applicable to the 1995 tax year  
27 calculations.

28 "Qualified airport authority" means an airport authority  
29 organized under the Airport Authorities Act and located in a  
30 county bordering on the State of Wisconsin and having a  
31 population in excess of 200,000 and not greater than 500,000.

32 "Recovered tax increment value" means, except as otherwise  
33 provided in this paragraph, the amount of the current year's  
34 equalized assessed value, in the first year after a

1 municipality terminates the designation of an area as a  
2 redevelopment project area previously established under the  
3 Tax Increment Allocation Development Act in the Illinois  
4 Municipal Code, previously established under the Industrial  
5 Jobs Recovery Law in the Illinois Municipal Code, or previously  
6 established under the Economic Development Area Tax Increment  
7 Allocation Act, of each taxable lot, block, tract, or parcel of  
8 real property in the redevelopment project area over and above  
9 the initial equalized assessed value of each property in the  
10 redevelopment project area. For the taxes which are extended  
11 for the 1997 levy year, the recovered tax increment value for a  
12 non-home rule taxing district that first became subject to this  
13 Law for the 1995 levy year because a majority of its 1994  
14 equalized assessed value was in an affected county or counties  
15 shall be increased if a municipality terminated the designation  
16 of an area in 1993 as a redevelopment project area previously  
17 established under the Tax Increment Allocation Development Act  
18 in the Illinois Municipal Code, previously established under  
19 the Industrial Jobs Recovery Law in the Illinois Municipal  
20 Code, or previously established under the Economic Development  
21 Area Tax Increment Allocation Act, by an amount equal to the  
22 1994 equalized assessed value of each taxable lot, block,  
23 tract, or parcel of real property in the redevelopment project  
24 area over and above the initial equalized assessed value of  
25 each property in the redevelopment project area. In the first  
26 year after a municipality removes a taxable lot, block, tract,  
27 or parcel of real property from a redevelopment project area  
28 established under the Tax Increment Allocation Development Act  
29 in the Illinois Municipal Code, the Industrial Jobs Recovery  
30 Law in the Illinois Municipal Code, or the Economic Development  
31 Area Tax Increment Allocation Act, "recovered tax increment  
32 value" means the amount of the current year's equalized  
33 assessed value of each taxable lot, block, tract, or parcel of  
34 real property removed from the redevelopment project area over

1 and above the initial equalized assessed value of that real  
2 property before removal from the redevelopment project area.

3 Except as otherwise provided in this Section, "limiting  
4 rate" means a fraction the numerator of which is the last  
5 preceding aggregate extension base times an amount equal to one  
6 plus the extension limitation defined in this Section and the  
7 denominator of which is the current year's equalized assessed  
8 value of all real property in the territory under the  
9 jurisdiction of the taxing district during the prior levy year.  
10 For those taxing districts that reduced their aggregate  
11 extension for the last preceding levy year, the highest  
12 aggregate extension in any of the last 3 preceding levy years  
13 shall be used for the purpose of computing the limiting rate.  
14 The denominator shall not include new property. The denominator  
15 shall not include the recovered tax increment value.

16 (Source: P.A. 92-547, eff. 6-13-02; 93-601, eff. 1-1-04;  
17 93-606, eff. 11-18-03; 93-612, eff. 11-18-03; 93-689, eff.  
18 7-1-04; 93-690, eff. 7-1-04; 93-1049, eff. 11-17-04; revised  
19 12-14-04.)".