



**94TH GENERAL ASSEMBLY**  
**State of Illinois**  
**2005 and 2006**  
**SB2350**

Introduced 1/18/2006, by Sen. Don Harmon - Arthur J. Wilhelmi

**SYNOPSIS AS INTRODUCED:**

35 ILCS 200/15-172  
30 ILCS 805/8.30 new

Amends the Property Tax Code. Re-enacts the Senior Citizens Assessment Freeze Homestead Exemption. The exemption was created by Public Act 88-669, which has been held to be unconstitutional as a violation of the single subject clause of the Illinois Constitution. Includes validation provisions. Effective immediately.

LRB094 17384 EFG 52679 b

FISCAL NOTE ACT  
MAY APPLY

HOUSING  
AFFORDABILITY  
IMPACT NOTE ACT  
MAY APPLY

STATE MANDATES  
ACT MAY REQUIRE  
REIMBURSEMENT

1 AN ACT concerning property tax.

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

4 Section 1. Findings; purpose; validation.

5 (a) The General Assembly finds and declares that:

6 (1) Public Act 88-669, effective November 29, 1994,  
7 created Section 15-172 of the Property Tax Code, then known  
8 as the Senior Citizens Tax Freeze Homestead Exemption.  
9 Public Act 88-669 also contained other provisions.

10 (2) The Senior Citizens Tax Freeze Homestead Exemption  
11 has been renamed the Senior Citizens Assessment Freeze  
12 Homestead Exemption.

13 (3) The Illinois Supreme Court declared Public Act  
14 88-669 to be unconstitutional as a violation of the single  
15 subject clause of the Illinois Constitution in *People v.*  
16 *Olander*, Docket No. 98932, opinion filed December 15, 2005.

17 (b) The purpose of this Act is to re-enact the provisions  
18 of Section 15-172 of the Property Tax Code and to minimize or  
19 prevent any problems concerning those provisions that may arise  
20 from the unconstitutionality of Public Act 88-669. This  
21 re-enactment is intended to remove any question as to the  
22 validity and content of those provisions; it is not intended to  
23 supersede any other Public Act that amends the provisions  
24 re-enacted in this Act. The re-enacted material is shown in  
25 this Act as existing text (i.e., without underscoring) and  
26 includes changes made by subsequent amendments.

27 (c) The re-enactment of the provisions of Section 15-172 of  
28 the Property Tax Code by this Act is not intended, and shall  
29 not be construed, to impair any legal argument concerning  
30 whether those provisions were substantially re-enacted by any  
31 other Public Act.

32 (d) All otherwise lawful actions taken before the effective  
33 date of this Act in reliance on or pursuant to the provisions

1 re-enacted by this Act, as those provisions were set forth in  
2 Public Act 88-669 or as subsequently amended, by any officer,  
3 employee, or agency of State government or by any other person  
4 or entity, are hereby validated, except to the extent  
5 prohibited under the Illinois or United States Constitution.

6 (e) This Act applies, without limitation, to actions  
7 pending on or after the effective date of this Act, except to  
8 the extent prohibited under the Illinois or United States  
9 Constitution.

10 Section 5. The Property Tax Code is amended by re-enacting  
11 Section 15-172 as follows:

12 (35 ILCS 200/15-172)

13 Sec. 15-172. Senior Citizens Assessment Freeze Homestead  
14 Exemption.

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

17 (b) As used in this Section:

18 "Applicant" means an individual who has filed an  
19 application under this Section.

20 "Base amount" means the base year equalized assessed value  
21 of the residence plus the first year's equalized assessed value  
22 of any added improvements which increased the assessed value of  
23 the residence after the base year.

24 "Base year" means the taxable year prior to the taxable  
25 year for which the applicant first qualifies and applies for  
26 the exemption provided that in the prior taxable year the  
27 property was improved with a permanent structure that was  
28 occupied as a residence by the applicant who was liable for  
29 paying real property taxes on the property and who was either  
30 (i) an owner of record of the property or had legal or  
31 equitable interest in the property as evidenced by a written  
32 instrument or (ii) had a legal or equitable interest as a  
33 lessee in the parcel of property that was single family  
34 residence. If in any subsequent taxable year for which the

1 applicant applies and qualifies for the exemption the equalized  
2 assessed value of the residence is less than the equalized  
3 assessed value in the existing base year (provided that such  
4 equalized assessed value is not based on an assessed value that  
5 results from a temporary irregularity in the property that  
6 reduces the assessed value for one or more taxable years), then  
7 that subsequent taxable year shall become the base year until a  
8 new base year is established under the terms of this paragraph.  
9 For taxable year 1999 only, the Chief County Assessment Officer  
10 shall review (i) all taxable years for which the applicant  
11 applied and qualified for the exemption and (ii) the existing  
12 base year. The assessment officer shall select as the new base  
13 year the year with the lowest equalized assessed value. An  
14 equalized assessed value that is based on an assessed value  
15 that results from a temporary irregularity in the property that  
16 reduces the assessed value for one or more taxable years shall  
17 not be considered the lowest equalized assessed value. The  
18 selected year shall be the base year for taxable year 1999 and  
19 thereafter until a new base year is established under the terms  
20 of this paragraph.

21 "Chief County Assessment Officer" means the County  
22 Assessor or Supervisor of Assessments of the county in which  
23 the property is located.

24 "Equalized assessed value" means the assessed value as  
25 equalized by the Illinois Department of Revenue.

26 "Household" means the applicant, the spouse of the  
27 applicant, and all persons using the residence of the applicant  
28 as their principal place of residence.

29 "Household income" means the combined income of the members  
30 of a household for the calendar year preceding the taxable  
31 year.

32 "Income" has the same meaning as provided in Section 3.07  
33 of the Senior Citizens and Disabled Persons Property Tax Relief  
34 and Pharmaceutical Assistance Act, except that, beginning in  
35 assessment year 2001, "income" does not include veteran's  
36 benefits.

1 "Internal Revenue Code of 1986" means the United States  
2 Internal Revenue Code of 1986 or any successor law or laws  
3 relating to federal income taxes in effect for the year  
4 preceding the taxable year.

5 "Life care facility that qualifies as a cooperative" means  
6 a facility as defined in Section 2 of the Life Care Facilities  
7 Act.

8 "Residence" means the principal dwelling place and  
9 appurtenant structures used for residential purposes in this  
10 State occupied on January 1 of the taxable year by a household  
11 and so much of the surrounding land, constituting the parcel  
12 upon which the dwelling place is situated, as is used for  
13 residential purposes. If the Chief County Assessment Officer  
14 has established a specific legal description for a portion of  
15 property constituting the residence, then that portion of  
16 property shall be deemed the residence for the purposes of this  
17 Section.

18 "Taxable year" means the calendar year during which ad  
19 valorem property taxes payable in the next succeeding year are  
20 levied.

21 (c) Beginning in taxable year 1994, a senior citizens  
22 assessment freeze homestead exemption is granted for real  
23 property that is improved with a permanent structure that is  
24 occupied as a residence by an applicant who (i) is 65 years of  
25 age or older during the taxable year, (ii) has a household  
26 income of \$35,000 or less prior to taxable year 1999, \$40,000  
27 or less in taxable years 1999 through 2003, and \$45,000 or less  
28 in taxable year 2004 and thereafter, (iii) is liable for paying  
29 real property taxes on the property, and (iv) is an owner of  
30 record of the property or has a legal or equitable interest in  
31 the property as evidenced by a written instrument. This  
32 homestead exemption shall also apply to a leasehold interest in  
33 a parcel of property improved with a permanent structure that  
34 is a single family residence that is occupied as a residence by  
35 a person who (i) is 65 years of age or older during the taxable  
36 year, (ii) has a household income of \$35,000 or less prior to

1 taxable year 1999, \$40,000 or less in taxable years 1999  
2 through 2003, and \$45,000 or less in taxable year 2004 and  
3 thereafter, (iii) has a legal or equitable ownership interest  
4 in the property as lessee, and (iv) is liable for the payment  
5 of real property taxes on that property.

6 The amount of this exemption shall be the equalized  
7 assessed value of the residence in the taxable year for which  
8 application is made minus the base amount.

9 When the applicant is a surviving spouse of an applicant  
10 for a prior year for the same residence for which an exemption  
11 under this Section has been granted, the base year and base  
12 amount for that residence are the same as for the applicant for  
13 the prior year.

14 Each year at the time the assessment books are certified to  
15 the County Clerk, the Board of Review or Board of Appeals shall  
16 give to the County Clerk a list of the assessed values of  
17 improvements on each parcel qualifying for this exemption that  
18 were added after the base year for this parcel and that  
19 increased the assessed value of the property.

20 In the case of land improved with an apartment building  
21 owned and operated as a cooperative or a building that is a  
22 life care facility that qualifies as a cooperative, the maximum  
23 reduction from the equalized assessed value of the property is  
24 limited to the sum of the reductions calculated for each unit  
25 occupied as a residence by a person or persons (i) 65 years of  
26 age or older, (ii) with a household income of \$35,000 or less  
27 prior to taxable year 1999, \$40,000 or less in taxable years  
28 1999 through 2003, and \$45,000 or less in taxable year 2004 and  
29 thereafter, (iii) who is liable, by contract with the owner or  
30 owners of record, for paying real property taxes on the  
31 property, and (iv) who is an owner of record of a legal or  
32 equitable interest in the cooperative apartment building,  
33 other than a leasehold interest. In the instance of a  
34 cooperative where a homestead exemption has been granted under  
35 this Section, the cooperative association or its management  
36 firm shall credit the savings resulting from that exemption

1 only to the apportioned tax liability of the owner who  
2 qualified for the exemption. Any person who willfully refuses  
3 to credit that savings to an owner who qualifies for the  
4 exemption is guilty of a Class B misdemeanor.

5 When a homestead exemption has been granted under this  
6 Section and an applicant then becomes a resident of a facility  
7 licensed under the Nursing Home Care Act, the exemption shall  
8 be granted in subsequent years so long as the residence (i)  
9 continues to be occupied by the qualified applicant's spouse or  
10 (ii) if remaining unoccupied, is still owned by the qualified  
11 applicant for the homestead exemption.

12 Beginning January 1, 1997, when an individual dies who  
13 would have qualified for an exemption under this Section, and  
14 the surviving spouse does not independently qualify for this  
15 exemption because of age, the exemption under this Section  
16 shall be granted to the surviving spouse for the taxable year  
17 preceding and the taxable year of the death, provided that,  
18 except for age, the surviving spouse meets all other  
19 qualifications for the granting of this exemption for those  
20 years.

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

24 For taxable year 1994 only, in counties having less than  
25 3,000,000 inhabitants, to receive the exemption, a person shall  
26 submit an application by February 15, 1995 to the Chief County  
27 Assessment Officer of the county in which the property is  
28 located. In counties having 3,000,000 or more inhabitants, for  
29 taxable year 1994 and all subsequent taxable years, to receive  
30 the exemption, a person may submit an application to the Chief  
31 County Assessment Officer of the county in which the property  
32 is located during such period as may be specified by the Chief  
33 County Assessment Officer. The Chief County Assessment Officer  
34 in counties of 3,000,000 or more inhabitants shall annually  
35 give notice of the application period by mail or by  
36 publication. In counties having less than 3,000,000

1 inhabitants, beginning with taxable year 1995 and thereafter,  
2 to receive the exemption, a person shall submit an application  
3 by July 1 of each taxable year to the Chief County Assessment  
4 Officer of the county in which the property is located. A  
5 county may, by ordinance, establish a date for submission of  
6 applications that is different than July 1. The applicant shall  
7 submit with the application an affidavit of the applicant's  
8 total household income, age, marital status (and if married the  
9 name and address of the applicant's spouse, if known), and  
10 principal dwelling place of members of the household on January  
11 1 of the taxable year. The Department shall establish, by rule,  
12 a method for verifying the accuracy of affidavits filed by  
13 applicants under this Section. The applications shall be  
14 clearly marked as applications for the Senior Citizens  
15 Assessment Freeze Homestead Exemption.

16 Notwithstanding any other provision to the contrary, in  
17 counties having fewer than 3,000,000 inhabitants, if an  
18 applicant fails to file the application required by this  
19 Section in a timely manner and this failure to file is due to a  
20 mental or physical condition sufficiently severe so as to  
21 render the applicant incapable of filing the application in a  
22 timely manner, the Chief County Assessment Officer may extend  
23 the filing deadline for a period of 30 days after the applicant  
24 regains the capability to file the application, but in no case  
25 may the filing deadline be extended beyond 3 months of the  
26 original filing deadline. In order to receive the extension  
27 provided in this paragraph, the applicant shall provide the  
28 Chief County Assessment Officer with a signed statement from  
29 the applicant's physician stating the nature and extent of the  
30 condition, that, in the physician's opinion, the condition was  
31 so severe that it rendered the applicant incapable of filing  
32 the application in a timely manner, and the date on which the  
33 applicant regained the capability to file the application.

34 Beginning January 1, 1998, notwithstanding any other  
35 provision to the contrary, in counties having fewer than  
36 3,000,000 inhabitants, if an applicant fails to file the



1 application required by this Section in a timely manner and  
2 this failure to file is due to a mental or physical condition  
3 sufficiently severe so as to render the applicant incapable of  
4 filing the application in a timely manner, the Chief County  
5 Assessment Officer may extend the filing deadline for a period  
6 of 3 months. In order to receive the extension provided in this  
7 paragraph, the applicant shall provide the Chief County  
8 Assessment Officer with a signed statement from the applicant's  
9 physician stating the nature and extent of the condition, and  
10 that, in the physician's opinion, the condition was so severe  
11 that it rendered the applicant incapable of filing the  
12 application in a timely manner.

13 In counties having less than 3,000,000 inhabitants, if an  
14 applicant was denied an exemption in taxable year 1994 and the  
15 denial occurred due to an error on the part of an assessment  
16 official, or his or her agent or employee, then beginning in  
17 taxable year 1997 the applicant's base year, for purposes of  
18 determining the amount of the exemption, shall be 1993 rather  
19 than 1994. In addition, in taxable year 1997, the applicant's  
20 exemption shall also include an amount equal to (i) the amount  
21 of any exemption denied to the applicant in taxable year 1995  
22 as a result of using 1994, rather than 1993, as the base year,  
23 (ii) the amount of any exemption denied to the applicant in  
24 taxable year 1996 as a result of using 1994, rather than 1993,  
25 as the base year, and (iii) the amount of the exemption  
26 erroneously denied for taxable year 1994.

27 For purposes of this Section, a person who will be 65 years  
28 of age during the current taxable year shall be eligible to  
29 apply for the homestead exemption during that taxable year.  
30 Application shall be made during the application period in  
31 effect for the county of his or her residence.

32 The Chief County Assessment Officer may determine the  
33 eligibility of a life care facility that qualifies as a  
34 cooperative to receive the benefits provided by this Section by  
35 use of an affidavit, application, visual inspection,  
36 questionnaire, or other reasonable method in order to insure

1 that the tax savings resulting from the exemption are credited  
2 by the management firm to the apportioned tax liability of each  
3 qualifying resident. The Chief County Assessment Officer may  
4 request reasonable proof that the management firm has so  
5 credited that exemption.

6 Except as provided in this Section, all information  
7 received by the chief county assessment officer or the  
8 Department from applications filed under this Section, or from  
9 any investigation conducted under the provisions of this  
10 Section, shall be confidential, except for official purposes or  
11 pursuant to official procedures for collection of any State or  
12 local tax or enforcement of any civil or criminal penalty or  
13 sanction imposed by this Act or by any statute or ordinance  
14 imposing a State or local tax. Any person who divulges any such  
15 information in any manner, except in accordance with a proper  
16 judicial order, is guilty of a Class A misdemeanor.

17 Nothing contained in this Section shall prevent the  
18 Director or chief county assessment officer from publishing or  
19 making available reasonable statistics concerning the  
20 operation of the exemption contained in this Section in which  
21 the contents of claims are grouped into aggregates in such a  
22 way that information contained in any individual claim shall  
23 not be disclosed.

24 (d) Each Chief County Assessment Officer shall annually  
25 publish a notice of availability of the exemption provided  
26 under this Section. The notice shall be published at least 60  
27 days but no more than 75 days prior to the date on which the  
28 application must be submitted to the Chief County Assessment  
29 Officer of the county in which the property is located. The  
30 notice shall appear in a newspaper of general circulation in  
31 the county.

32 Notwithstanding Sections 6 and 8 of the State Mandates Act,  
33 no reimbursement by the State is required for the  
34 implementation of any mandate created by this Section.

35 (Source: P.A. 93-715, eff. 7-12-04.)

1 Section 90. The State Mandates Act is amended by adding  
2 Section 8.30 as follows:

3 (30 ILCS 805/8.30 new)

4 Sec. 8.30. Exempt mandate. Notwithstanding Sections 6 and 8  
5 of this Act, no reimbursement by the State is required for the  
6 implementation of any mandate created by this amendatory Act of  
7 the 94th General Assembly.

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