



## 95TH GENERAL ASSEMBLY

### State of Illinois

### 2007 and 2008

### HB1891

Introduced 2/23/2007, by Rep. Aaron Schock

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-10  
35 ILCS 200/15-60

Amends the Property Tax Code. Exempts from taxation all property that is owned by any taxing district (now, only a municipality) and that is located within the boundaries of that taxing district and provides that any such property leased by a taxing district remains exempt, and the leasehold interest of the lessee shall be assessed. Removes exempt tax district property from certain certification procedures.

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FISCAL NOTE ACT  
MAY APPLY

HOUSING  
AFFORDABILITY  
IMPACT NOTE ACT  
MAY APPLY

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 Property Tax Code is amended by changing  
5 Sections 15-10 and 15-60 as follows:

6 (35 ILCS 200/15-10)

7 Sec. 15-10. Exempt property; procedures for certification.

8 All property granted an exemption by the Department pursuant to  
9 the requirements of Section 15-5 and described in the Sections  
10 following Section 15-30 and preceding Section 16-5, to the  
11 extent therein limited, is exempt from taxation. In order to  
12 maintain that exempt status, the titleholder or the owner of  
13 the beneficial interest of any property that is exempt must  
14 file with the chief county assessment officer, on or before  
15 January 31 of each year (May 31 in the case of property  
16 exempted by Section 15-170), an affidavit stating whether there  
17 has been any change in the ownership or use of the property or  
18 the status of the owner-resident, or that a disabled veteran  
19 who qualifies under Section 15-165 owned and used the property  
20 as of January 1 of that year. The nature of any change shall be  
21 stated in the affidavit. Failure to file an affidavit shall, in  
22 the discretion of the assessment officer, constitute cause to  
23 terminate the exemption of that property, notwithstanding any

1 other provision of this Code. Owners of 5 or more such exempt  
2 parcels within a county may file a single annual affidavit in  
3 lieu of an affidavit for each parcel. The assessment officer,  
4 upon request, shall furnish an affidavit form to the owners, in  
5 which the owner may state whether there has been any change in  
6 the ownership or use of the property or status of the owner or  
7 resident as of January 1 of that year. The owner of 5 or more  
8 exempt parcels shall list all the properties giving the same  
9 information for each parcel as required of owners who file  
10 individual affidavits.

11 However, titleholders or owners of the beneficial interest  
12 in any property exempted under any of the following provisions  
13 are not required to submit an annual filing under this Section:

14 (1) Section 15-45 (burial grounds) in counties of less  
15 than 3,000,000 inhabitants and owned by a not-for-profit  
16 organization.

17 (2) Section 15-40.

18 (3) Section 15-50 (United States property).

19 If there is a change in use or ownership, however, notice  
20 must be filed pursuant to Section 15-20.

21 An application for homestead exemptions shall be filed as  
22 provided in Section 15-170 (senior citizens homestead  
23 exemption), Section 15-172 (senior citizens assessment freeze  
24 homestead exemption), and Sections 15-175 and 15-176 (general  
25 homestead exemption), respectively.

26 The requirements of this Section do not apply to property

1 that is exempt under subsection (c) of Section 15-60 of this  
2 Code.

3 (Source: P.A. 92-333, eff. 8-10-01; 92-729, eff. 7-25-02;  
4 93-715, eff. 7-12-04.)

5 (35 ILCS 200/15-60)

6 Sec. 15-60. Taxing district property. All property  
7 belonging to any county or municipality used exclusively for  
8 the maintenance of the poor is exempt, as is all property owned  
9 by a taxing district that is being held for future expansion or  
10 development, except if leased by the taxing district to lessees  
11 for use for other than public purposes.

12 Also exempt are:

13 (a) all swamp or overflowed lands belonging to any  
14 county;

15 (b) all public buildings belonging to any county,  
16 township, or municipality, with the ground on which the  
17 buildings are erected;

18 (c) all property that is owned by any taxing district  
19 and that is ~~municipality~~ located within the boundaries of  
20 that taxing district ~~its incorporated limits~~. Any such  
21 property leased by a taxing district ~~remains~~ ~~municipality~~  
22 ~~shall remain~~ exempt, and the leasehold interest of the  
23 lessee shall be assessed under Section 9-195 of this Act,  
24 (i) for a lease entered into on or after January 1, 1994,  
25 unless the lease expressly provides that this exemption

1 shall not apply; (ii) for a lease entered into on or after  
2 the effective date of Public Act 87-1280 and before January  
3 1, 1994, unless the lease expressly provides that this  
4 exemption shall not apply or unless evidence other than the  
5 lease itself substantiates the intent of the parties to the  
6 lease that this exemption shall not apply; and (iii) for a  
7 lease entered into before the effective date of Public Act  
8 87-1280, if the terms of the lease do not bind the lessee  
9 to pay the taxes on the leased property or if,  
10 notwithstanding the terms of the lease, the municipality  
11 has filed or hereafter files a timely exemption petition or  
12 complaint with respect to property consisting of or  
13 including the leased property for an assessment year which  
14 includes part or all of the first 12 months of the lease  
15 period. The foregoing clause (iii) added by Public Act  
16 87-1280 shall not operate to exempt property for any  
17 assessment year as to which no timely exemption petition or  
18 complaint has been filed by the municipality or as to which  
19 an administrative or court decision denying exemption has  
20 become final and nonappealable. For each assessment year or  
21 portion thereof that property is made exempt by operation  
22 of the foregoing clause (iii), whether such year or portion  
23 is before or after the effective date of Public Act  
24 87-1280, the leasehold interest of the lessee shall, if  
25 necessary, be considered omitted property for purposes of  
26 this Act;

1 (c-5) Notwithstanding clause (i) of subsection (c),  
2 all property owned by a municipality with a population of  
3 over 500,000 that is used for toll road or toll bridge  
4 purposes and that is leased for those purposes to another  
5 entity whose property is not exempt shall remain exempt,  
6 and any leasehold interest in the property shall not be  
7 subject to taxation under Section 9-195 of this Act;

8 (d) all property owned by any municipality located  
9 outside its incorporated limits but within the same county  
10 when used as a tuberculosis sanitarium, farm colony in  
11 connection with a house of correction, or nursery, garden,  
12 or farm, or for the growing of shrubs, trees, flowers,  
13 vegetables, and plants for use in beautifying,  
14 maintaining, and operating playgrounds, parks, parkways,  
15 public grounds, buildings, and institutions owned or  
16 controlled by the municipality; and

17 (e) all property owned by a township and operated as  
18 senior citizen housing under Sections 35-50 through  
19 35-50.6 of the Township Code.

20 All property owned by any municipality outside of its  
21 corporate limits is exempt if used exclusively for municipal or  
22 public purposes.

23 For purposes of this Section, "municipality" means a  
24 municipality, as defined in Section 1-1-2 of the Illinois  
25 Municipal Code and "taxing district" means any unit of local  
26 government, as defined in Section 1 of Article VII of the

1 Constitution, with the power to tax, and any school district or  
2 community college district.

3 (Source: P.A. 92-844, eff. 8-23-02; 92-846, eff. 8-23-02.)