



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB0375

Introduced 1/30/2009, by Rep. Arthur L. Turner

SYNOPSIS AS INTRODUCED:

35 ILCS 200/20-178
35 ILCS 200/21-320
35 ILCS 200/23-20

Amends the Property Tax Code. In Sections concerning interest paid on refunds due on certificates of error, sales in error, and refunds based on a final order of the Property Tax Appeal Board, provides that the interest shall be calculated as simple interest based only on the principal amount of the refund. Effective immediately.

LRB096 02886 HLH 12900 b

FISCAL 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 Property Tax Code is amended by changing
5 Sections 20-178, 21-320, and 23-20 as follows:

6 (35 ILCS 200/20-178)

7 Sec. 20-178. Certificate of error; refund; interest. When
8 the county collector makes any refunds due on certificates of
9 error issued under Sections 14-15 through 14-25 that have been
10 either certified or adjudicated, the county collector shall pay
11 the taxpayer interest on the amount of the refund at the rate
12 of 0.5% per month. Any interest calculated pursuant to this
13 Section shall be simple interest based only on the principal
14 amount of the refund.

15 No interest shall be due under this Section for any time
16 prior to 60 days after the effective date of this amendatory
17 Act of the 91st General Assembly. For certificates of error
18 issued prior to the effective date of this amendatory Act of
19 the 91st General Assembly, the county collector shall pay the
20 taxpayer interest from 60 days after the effective date of this
21 amendatory Act of the 91st General Assembly until the date the
22 refund is paid. For certificates of error issued on or after
23 the effective date of this amendatory Act of the 91st General

1 Assembly, interest shall be paid from 60 days after the
2 certificate of error is issued by the chief county assessment
3 officer to the date the refund is made. To cover the cost of
4 interest, the county collector shall proportionately reduce
5 the distribution of taxes collected for each taxing district in
6 which the property is situated.

7 This Section shall not apply to any certificate of error
8 granting a homestead exemption under Section 15-170, 15-172,
9 15-175, 15-176, or 15-177.

10 (Source: P.A. 95-644, eff. 10-12-07.)

11 (35 ILCS 200/21-320)

12 Sec. 21-320. Refund of other taxes paid by holder of
13 certificate of purchase. If a sale in error under Section
14 21-310, 22-35, or 22-50 is declared, the amount refunded shall
15 also include other taxes paid or redeemed by the owner of the
16 certificate of purchase or his or her assignor subsequent to
17 the tax sale, together with interest on those other taxes under
18 the same terms as interest is otherwise payable under Section
19 21-315. The interest under this subsection shall be calculated
20 at the rate of 1% per month from the date the other taxes were
21 paid and not from the date of sale. Any interest calculated
22 pursuant to this Section shall be simple interest based only on
23 the principal amount of the refund. The collector shall take
24 credit in settlement of his or her accounts for the refund of
25 the other taxes as in other cases of sale in error under

1 Section 21-310.

2 (Source: P.A. 92-224, eff. 1-1-02; 92-729, eff. 7-25-02.)

3 (35 ILCS 200/23-20)

4 Sec. 23-20. Effect of protested payments; refunds. No
5 protest shall prevent or be a cause of delay in the
6 distribution of tax collections to the taxing districts of any
7 taxes collected which were not paid under protest. If the final
8 order of the Property Tax Appeal Board or of a court results in
9 a refund to the taxpayer, refunds shall be made by the
10 collector from funds remaining in the Protest Fund until such
11 funds are exhausted and thereafter from the next funds
12 collected after entry of the final order until full payment of
13 the refund and interest thereon has been made. Interest from
14 the date of payment, regardless of whether the payment was made
15 before the effective date of this amendatory Act of 1997, or
16 from the date payment is due, whichever is later, to the date
17 of refund shall also be paid to the taxpayer at the annual rate
18 of the lesser of (i) 5% or (ii) the percentage increase in the
19 Consumer Price Index For All Urban Consumers during the
20 12-month calendar year preceding the levy year for which the
21 refund was made, as published by the federal Bureau of Labor
22 Statistics. Any interest calculated pursuant to this Section
23 shall be simple interest based only on the principal amount of
24 the refund.

25 (Source: P.A. 94-558, eff. 1-1-06.)

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.