



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

HB1347

Introduced 2/18/2009, by Rep. Franco Coladipietro

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/14-20  
35 ILCS 200/15-172  
30 ILCS 805/8.33 new

Amends the Property Tax Code. Includes disabled persons within the provisions granting an assessment freeze homestead exemption to senior citizens. Changes the name to the Senior Citizens and Disabled Persons Assessment Freeze Homestead Exemption (now Senior Citizens Assessment Freeze Homestead Exemption). Makes corresponding changes to a cross-reference to the exemption. Amends the States Mandates Act to require implementation without reimbursement. Effective immediately.

LRB096 10907 HLH 21151 b

FISCAL NOTE ACT  
MAY APPLY

HOUSING  
AFFORDABILITY  
IMPACT NOTE ACT  
MAY APPLY

STATE MANDATES  
ACT MAY REQUIRE  
REIMBURSEMENT

1 AN ACT regarding disabled persons.

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 14-20 and 15-172 as follows:

6 (35 ILCS 200/14-20)

7 Sec. 14-20. Certificate of error; counties of less than  
8 3,000,000. In any county with less than 3,000,000 inhabitants,  
9 if, at any time before judgment or order of sale is entered in  
10 any proceeding to collect or to enjoin the collection of taxes  
11 based upon any assessment of any property, the chief county  
12 assessment officer discovers an error or mistake in the  
13 assessment (other than errors of judgment as to the valuation  
14 of the property), he or she shall issue to the person  
15 erroneously assessed a certificate setting forth the nature of  
16 the error and the cause or causes of the error. In any county  
17 with less than 3,000,000 inhabitants, if an owner fails to file  
18 an application for the Senior Citizens and Disabled Persons  
19 Assessment Freeze Homestead Exemption provided in Section  
20 15-172 during the previous assessment year and qualifies for  
21 the exemption, the Chief County Assessment Officer pursuant to  
22 this Section, or the Board of Review pursuant to Section 16-75,  
23 shall issue a certificate of error setting forth the correct

1 taxable valuation of the property. The certificate, when  
2 properly endorsed by the majority of the board of review,  
3 showing their concurrence, and not otherwise, may be used in  
4 evidence in any court of competent jurisdiction, and when so  
5 introduced in evidence, shall become a part of the court record  
6 and shall not be removed from the files except on an order of  
7 the court.

8 (Source: P.A. 90-552, eff. 12-12-97; 91-377, eff. 7-30-99.)

9 (35 ILCS 200/15-172)

10 Sec. 15-172. Senior Citizens and Disabled Persons  
11 Assessment Freeze Homestead Exemption.

12 (a) This Section may be cited as the Senior Citizens and  
13 Disabled Persons Assessment Freeze Homestead Exemption.

14 (b) As used in this Section:

15 "Applicant" means an individual who has filed an  
16 application under this Section.

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

21 "Base year" means the taxable year prior to the taxable  
22 year for which the applicant first qualifies and applies for  
23 the exemption provided that in the prior taxable year the  
24 property was improved with a permanent structure that was  
25 occupied as a residence by the applicant who was liable for

1 paying real property taxes on the property and who was either  
2 (i) an owner of record of the property or had legal or  
3 equitable interest in the property as evidenced by a written  
4 instrument or (ii) had a legal or equitable interest as a  
5 lessee in the parcel of property that was single family  
6 residence. If in any subsequent taxable year for which the  
7 applicant applies and qualifies for the exemption the equalized  
8 assessed value of the residence is less than the equalized  
9 assessed value in the existing base year (provided that such  
10 equalized assessed value is not based on an assessed value that  
11 results from a temporary irregularity in the property that  
12 reduces the assessed value for one or more taxable years), then  
13 that subsequent taxable year shall become the base year until a  
14 new base year is established under the terms of this paragraph.  
15 For taxable year 1999 only, the Chief County Assessment Officer  
16 shall review (i) all taxable years for which the applicant  
17 applied and qualified for the exemption and (ii) the existing  
18 base year. The assessment officer shall select as the new base  
19 year the year with the lowest equalized assessed value. An  
20 equalized assessed value that is based on an assessed value  
21 that results from a temporary irregularity in the property that  
22 reduces the assessed value for one or more taxable years shall  
23 not be considered the lowest equalized assessed value. The  
24 selected year shall be the base year for taxable year 1999 and  
25 thereafter until a new base year is established under the terms  
26 of this paragraph.

1 "Chief County Assessment Officer" means the County  
2 Assessor or Supervisor of Assessments of the county in which  
3 the property is located.

4 "Disabled person" means a person unable to engage in any  
5 substantial gainful activity by reason of a medically  
6 determinable physical or mental impairment that (i) can be  
7 expected to result in death or (ii) has lasted or can be  
8 expected to last for a continuous period of not less than 12  
9 months. Disabled persons applying for the exemption under this  
10 Section must submit proof of the disability in the manner  
11 prescribed by the chief county assessment officer. Proof that  
12 an applicant is eligible to receive disability benefits under  
13 the federal Social Security Act constitutes proof of disability  
14 for purposes of this Section. Issuance of an Illinois Disabled  
15 Person Identification Card to the applicant stating that the  
16 possessor is under a Class 2 disability, as defined in Section  
17 4A of the Illinois Identification Card Act, constitutes proof  
18 that the person is a disabled person for purposes of this  
19 Section.

20 "Equalized assessed value" means the assessed value as  
21 equalized by the Illinois Department of Revenue.

22 "Household" means the applicant, the spouse of the  
23 applicant, and all persons using the residence of the applicant  
24 as their principal place of residence.

25 "Household income" means the combined income of the members  
26 of a household for the calendar year preceding the taxable

1 year.

2 "Income" has the same meaning as provided in Section 3.07  
3 of the Senior Citizens and Disabled Persons Property Tax Relief  
4 and Pharmaceutical Assistance Act, except that, beginning in  
5 assessment year 2001, "income" does not include veteran's  
6 benefits.

7 "Internal Revenue Code of 1986" means the United States  
8 Internal Revenue Code of 1986 or any successor law or laws  
9 relating to federal income taxes in effect for the year  
10 preceding the taxable year.

11 "Life care facility that qualifies as a cooperative" means  
12 a facility as defined in Section 2 of the Life Care Facilities  
13 Act.

14 "Maximum income limitation" means:

- 15 (1) \$35,000 prior to taxable year 1999;
- 16 (2) \$40,000 in taxable years 1999 through 2003;
- 17 (3) \$45,000 in taxable years 2004 through 2005;
- 18 (4) \$50,000 in taxable years 2006 and 2007; and
- 19 (5) \$55,000 in taxable year 2008 and thereafter.

20 "Residence" means the principal dwelling place and  
21 appurtenant structures used for residential purposes in this  
22 State occupied on January 1 of the taxable year by a household  
23 and so much of the surrounding land, constituting the parcel  
24 upon which the dwelling place is situated, as is used for  
25 residential purposes. If the Chief County Assessment Officer  
26 has established a specific legal description for a portion of

1 property constituting the residence, then that portion of  
2 property shall be deemed the residence for the purposes of this  
3 Section.

4 "Taxable year" means the calendar year during which ad  
5 valorem property taxes payable in the next succeeding year are  
6 levied.

7 (c) Beginning in (1) taxable year 1994, for a senior  
8 citizens and (2) taxable year 2009, for disabled persons, an  
9 assessment freeze homestead exemption is granted for real  
10 property that is improved with a permanent structure that is  
11 occupied as a residence by an applicant who (i) is 65 years of  
12 age or older, or a disabled person, during the taxable year,  
13 (ii) has a household income that does not exceed the maximum  
14 income limitation, (iii) is liable for paying real property  
15 taxes on the property, and (iv) is an owner of record of the  
16 property or has a legal or equitable interest in the property  
17 as evidenced by a written instrument. This homestead exemption  
18 shall also apply to a leasehold interest in a parcel of  
19 property improved with a permanent structure that is a single  
20 family residence that is occupied as a residence by a person  
21 who (i) is 65 years of age or older, or a disabled person,  
22 during the taxable year, (ii) has a household income that does  
23 not exceed the maximum income limitation, (iii) has a legal or  
24 equitable ownership interest in the property as lessee, and  
25 (iv) is liable for the payment of real property taxes on that  
26 property.

1           In counties of 3,000,000 or more inhabitants, the amount of  
2 the exemption for all taxable years is the equalized assessed  
3 value of the residence in the taxable year for which  
4 application is made minus the base amount. In all other  
5 counties, the amount of the exemption is as follows: (i)  
6 through taxable year 2005 and for taxable year 2007 and  
7 thereafter, the amount of this exemption shall be the equalized  
8 assessed value of the residence in the taxable year for which  
9 application is made minus the base amount; and (ii) for taxable  
10 year 2006, the amount of the exemption is as follows:

11           (1) For an applicant who has a household income of  
12 \$45,000 or less, the amount of the exemption is the  
13 equalized assessed value of the residence in the taxable  
14 year for which application is made minus the base amount.

15           (2) For an applicant who has a household income  
16 exceeding \$45,000 but not exceeding \$46,250, the amount of  
17 the exemption is (i) the equalized assessed value of the  
18 residence in the taxable year for which application is made  
19 minus the base amount (ii) multiplied by 0.8.

20           (3) For an applicant who has a household income  
21 exceeding \$46,250 but not exceeding \$47,500, the amount of  
22 the exemption is (i) the equalized assessed value of the  
23 residence in the taxable year for which application is made  
24 minus the base amount (ii) multiplied by 0.6.

25           (4) For an applicant who has a household income  
26 exceeding \$47,500 but not exceeding \$48,750, the amount of



1 the exemption is (i) the equalized assessed value of the  
2 residence in the taxable year for which application is made  
3 minus the base amount (ii) multiplied by 0.4.

4 (5) For an applicant who has a household income  
5 exceeding \$48,750 but not exceeding \$50,000, the amount of  
6 the exemption is (i) the equalized assessed value of the  
7 residence in the taxable year for which application is made  
8 minus the base amount (ii) multiplied by 0.2.

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, or a disabled person, (ii) with a household

1 income that does not exceed the maximum income limitation,  
2 (iii) who is liable, by contract with the owner or owners of  
3 record, for paying real property taxes on the property, and  
4 (iv) who is an owner of record of a legal or equitable interest  
5 in the cooperative apartment building, other than a leasehold  
6 interest. In the instance of a cooperative where a homestead  
7 exemption has been granted under this Section, the cooperative  
8 association or its management firm shall credit the savings  
9 resulting from that exemption only to the apportioned tax  
10 liability of the owner who qualified for the exemption. Any  
11 person who willfully refuses to credit that savings to an owner  
12 who qualifies for the exemption is guilty of a Class B  
13 misdemeanor.

14 When a homestead exemption has been granted under this  
15 Section and an applicant then becomes a resident of a facility  
16 licensed under the Nursing Home Care Act, the exemption shall  
17 be granted in subsequent years so long as the residence (i)  
18 continues to be occupied by the qualified applicant's spouse or  
19 (ii) if remaining unoccupied, is still owned by the qualified  
20 applicant for the homestead exemption.

21 Beginning January 1, 1997, for senior citizens and January  
22 1, 2009 for disabled persons, when an individual dies who would  
23 have qualified for an exemption under this Section, and the  
24 surviving spouse does not independently qualify for this  
25 exemption because of age or nondisability, the exemption under  
26 this Section shall be granted to the surviving spouse for the

1 taxable year preceding and the taxable year of the death,  
2 provided that, except for age or nondisability, the surviving  
3 spouse meets all other qualifications for the granting of this  
4 exemption for those years.

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

8 For taxable year 1994 only, in counties having less than  
9 3,000,000 inhabitants, to receive the exemption, a person shall  
10 submit an application by February 15, 1995 to the Chief County  
11 Assessment Officer of the county in which the property is  
12 located. In counties having 3,000,000 or more inhabitants, for  
13 taxable year 1994 and all subsequent taxable years, to receive  
14 the exemption, a person may submit an application to the Chief  
15 County Assessment Officer of the county in which the property  
16 is located during such period as may be specified by the Chief  
17 County Assessment Officer. The Chief County Assessment Officer  
18 in counties of 3,000,000 or more inhabitants shall annually  
19 give notice of the application period by mail or by  
20 publication. In counties having less than 3,000,000  
21 inhabitants, beginning with taxable year 1995 and thereafter,  
22 to receive the exemption, a person shall submit an application  
23 by July 1 of each taxable year to the Chief County Assessment  
24 Officer of the county in which the property is located. A  
25 county may, by ordinance, establish a date for submission of  
26 applications that is different than July 1. The applicant shall

1 submit with the application an affidavit of the applicant's  
2 total household income, age, marital status (and if married the  
3 name and address of the applicant's spouse, if known),  
4 disability (if applying for the exemption as a disabled  
5 person), and principal dwelling place of members of the  
6 household on January 1 of the taxable year. The Department  
7 shall establish, by rule, a method for verifying the accuracy  
8 of affidavits filed by applicants under this Section, and the  
9 Chief County Assessment Officer may conduct audits of any  
10 taxpayer claiming an exemption under this Section to verify  
11 that the taxpayer is eligible to receive the exemption. Each  
12 application shall contain or be verified by a written  
13 declaration that it is made under the penalties of perjury. A  
14 taxpayer's signing a fraudulent application under this Act is  
15 perjury, as defined in Section 32-2 of the Criminal Code of  
16 1961. The applications shall be clearly marked as applications  
17 for the Senior Citizens and Disabled Persons Assessment Freeze  
18 Homestead Exemption and must contain a notice that any taxpayer  
19 who receives the exemption is subject to an audit by the Chief  
20 County Assessment Officer.

21 Notwithstanding any other provision to the contrary, in  
22 counties having fewer than 3,000,000 inhabitants, if an  
23 applicant fails to file the application required by this  
24 Section in a timely manner and this failure to file is due to a  
25 mental or physical condition sufficiently severe so as to  
26 render the applicant incapable of filing the application in a

1 timely manner, the Chief County Assessment Officer may extend  
2 the filing deadline for a period of 30 days after the applicant  
3 regains the capability to file the application, but in no case  
4 may the filing deadline be extended beyond 3 months of the  
5 original filing deadline. In order to receive the extension  
6 provided in this paragraph, the applicant shall provide the  
7 Chief County Assessment Officer with a signed statement from  
8 the applicant's physician stating the nature and extent of the  
9 condition, that, in the physician's opinion, the condition was  
10 so severe that it rendered the applicant incapable of filing  
11 the application in a timely manner, and the date on which the  
12 applicant regained the capability to file the application.

13 Beginning January 1, 1998, notwithstanding any other  
14 provision to the contrary, in counties having fewer than  
15 3,000,000 inhabitants, if an applicant fails to file the  
16 application required by this Section in a timely manner and  
17 this failure to file is due to a mental or physical condition  
18 sufficiently severe so as to render the applicant incapable of  
19 filing the application in a timely manner, the Chief County  
20 Assessment Officer may extend the filing deadline for a period  
21 of 3 months. In order to receive the extension provided in this  
22 paragraph, the applicant shall provide the Chief County  
23 Assessment Officer with a signed statement from the applicant's  
24 physician stating the nature and extent of the condition, and  
25 that, in the physician's opinion, the condition was so severe  
26 that it rendered the applicant incapable of filing the

1 application in a timely manner.

2 In counties having less than 3,000,000 inhabitants, if an  
3 applicant was denied an exemption in taxable year 1994 and the  
4 denial occurred due to an error on the part of an assessment  
5 official, or his or her agent or employee, then beginning in  
6 taxable year 1997 the applicant's base year, for purposes of  
7 determining the amount of the exemption, shall be 1993 rather  
8 than 1994. In addition, in taxable year 1997, the applicant's  
9 exemption shall also include an amount equal to (i) the amount  
10 of any exemption denied to the applicant in taxable year 1995  
11 as a result of using 1994, rather than 1993, as the base year,  
12 (ii) the amount of any exemption denied to the applicant in  
13 taxable year 1996 as a result of using 1994, rather than 1993,  
14 as the base year, and (iii) the amount of the exemption  
15 erroneously denied for taxable year 1994.

16 For purposes of this Section, a person who will be 65 years  
17 of age or is a disabled person during the current taxable year  
18 shall be eligible to apply for the homestead exemption during  
19 that taxable year. Application shall be made during the  
20 application period in effect for the county of his or her  
21 residence.

22 The Chief County Assessment Officer may determine the  
23 eligibility of a life care facility that qualifies as a  
24 cooperative to receive the benefits provided by this Section by  
25 use of an affidavit, application, visual inspection,  
26 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

1 days but no more than 75 days prior to the date on which the  
2 application must be submitted to the Chief County Assessment  
3 Officer of the county in which the property is located. The  
4 notice shall appear in a newspaper of general circulation in  
5 the county.

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

9 (Source: P.A. 94-794, eff. 5-22-06; 95-644, eff. 10-12-07.)

10 Section 90. The State Mandates Act is amended by adding  
11 Section 8.33 as follows:

12 (30 ILCS 805/8.33 new)

13 Sec. 8.33. Exempt mandate. Notwithstanding Sections 6 and 8  
14 of this Act, no reimbursement by the State is required for the  
15 implementation of any mandate created by this amendatory Act of  
16 the 96th General Assembly.

17 Section 99. Effective date. This Act takes effect upon  
18 becoming law.