

HB3867



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB3867

Introduced 2/26/2009, by Rep. Jehan A. Gordon

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-170

Amends the Property Tax Code. In a Section concerning the Senior Citizens Homestead Exemption, increases the maximum amount of the exemption in all counties, from \$3,500 to \$5,000 and provides that the maximum amount must be increased each year by the lesser of (i) 2% or (ii) the percentage increase during the immediately prior taxable year in the Consumer Price Index for All Urban Consumers for all items published by the United States Department of Labor, Bureau of Labor Statistics. Effective immediately.

LRB096 09861 JDS 20024 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 Section 15-170 as follows:

6 (35 ILCS 200/15-170)

7 Sec. 15-170. Senior Citizens Homestead Exemption. An
8 annual homestead exemption limited, except as described here
9 with relation to cooperatives or life care facilities, to a
10 maximum reduction set forth below from the property's value, as
11 equalized or assessed by the Department, is granted for
12 property that is occupied as a residence by a person 65 years
13 of age or older who is liable for paying real estate taxes on
14 the property and is an owner of record of the property or has a
15 legal or equitable interest therein as evidenced by a written
16 instrument, except for a leasehold interest, other than a
17 leasehold interest of land on which a single family residence
18 is located, which is occupied as a residence by a person 65
19 years or older who has an ownership interest therein, legal,
20 equitable or as a lessee, and on which he or she is liable for
21 the payment of property taxes. Before taxable year 2004, the
22 maximum reduction shall be \$2,500 in counties with 3,000,000 or
23 more inhabitants and \$2,000 in all other counties. For taxable

1 years 2004 through 2005, the maximum reduction shall be \$3,000
2 in all counties. For taxable years 2006 and 2007, the maximum
3 reduction shall be \$3,500 and, for taxable years 2008 and 2009
4 ~~thereafter~~, the maximum reduction is \$4,000 in all counties.
5 For taxable year 2010, the maximum reduction in all counties is
6 \$6,500. For taxable year 2011 and thereafter, the maximum
7 reduction, in all counties, is the amount of the maximum
8 reduction for the immediately prior taxable year increased by
9 an amount equal to the lesser of (i) 2% or (ii) the percentage
10 increase during the immediately prior taxable year in the
11 Consumer Price Index for All Urban Consumers for all items
12 published by the United States Department of Labor, Bureau of
13 Labor Statistics.

14 For land improved with an apartment building owned and
15 operated as a cooperative, the maximum reduction from the value
16 of the property, as equalized by the Department, shall be
17 multiplied by the number of apartments or units occupied by a
18 person 65 years of age or older who is liable, by contract with
19 the owner or owners of record, for paying property taxes on the
20 property and is an owner of record of a legal or equitable
21 interest in the cooperative apartment building, other than a
22 leasehold interest. For land improved with a life care
23 facility, the maximum reduction from the value of the property,
24 as equalized by the Department, shall be multiplied by the
25 number of apartments or units occupied by persons 65 years of
26 age or older, irrespective of any legal, equitable, or

1 leasehold interest in the facility, who are liable, under a
2 contract with the owner or owners of record of the facility,
3 for paying property taxes on the property. In a cooperative or
4 a life care facility where a homestead exemption has been
5 granted, the cooperative association or the management firm of
6 the cooperative or facility shall credit the savings resulting
7 from that exemption only to the apportioned tax liability of
8 the owner or resident who qualified for the exemption. Any
9 person who willfully refuses to so credit the savings shall be
10 guilty of a Class B misdemeanor. Under this Section and
11 Sections 15-175, 15-176, and 15-177, "life care facility" means
12 a facility, as defined in Section 2 of the Life Care Facilities
13 Act, with which the applicant for the homestead exemption has a
14 life care contract as defined in that Act.

15 When a homestead exemption has been granted under this
16 Section and the person qualifying subsequently becomes a
17 resident of a facility licensed under the Nursing Home Care
18 Act, the exemption shall continue so long as the residence
19 continues to be occupied by the qualifying person's spouse if
20 the spouse is 65 years of age or older, or if the residence
21 remains unoccupied but is still owned by the person qualified
22 for the homestead exemption.

23 A person who will be 65 years of age during the current
24 assessment year shall be eligible to apply for the homestead
25 exemption during that assessment year. Application shall be
26 made during the application period in effect for the county of

1 his residence.

2 Beginning with assessment year 2003, for taxes payable in
3 2004, property that is first occupied as a residence after
4 January 1 of any assessment year by a person who is eligible
5 for the senior citizens homestead exemption under this Section
6 must be granted a pro-rata exemption for the assessment year.
7 The amount of the pro-rata exemption is the exemption allowed
8 in the county under this Section divided by 365 and multiplied
9 by the number of days during the assessment year the property
10 is occupied as a residence by a person eligible for the
11 exemption under this Section. The chief county assessment
12 officer must adopt reasonable procedures to establish
13 eligibility for this pro-rata exemption.

14 The assessor or chief county assessment officer may
15 determine the eligibility of a life care facility to receive
16 the benefits provided by this Section, by affidavit,
17 application, visual inspection, questionnaire or other
18 reasonable methods in order to insure that the tax savings
19 resulting from the exemption are credited by the management
20 firm to the apportioned tax liability of each qualifying
21 resident. The assessor may request reasonable proof that the
22 management firm has so credited the exemption.

23 The chief county assessment officer of each county with
24 less than 3,000,000 inhabitants shall provide to each person
25 allowed a homestead exemption under this Section a form to
26 designate any other person to receive a duplicate of any notice

1 of delinquency in the payment of taxes assessed and levied
2 under this Code on the property of the person receiving the
3 exemption. The duplicate notice shall be in addition to the
4 notice required to be provided to the person receiving the
5 exemption, and shall be given in the manner required by this
6 Code. The person filing the request for the duplicate notice
7 shall pay a fee of \$5 to cover administrative costs to the
8 supervisor of assessments, who shall then file the executed
9 designation with the county collector. Notwithstanding any
10 other provision of this Code to the contrary, the filing of
11 such an executed designation requires the county collector to
12 provide duplicate notices as indicated by the designation. A
13 designation may be rescinded by the person who executed such
14 designation at any time, in the manner and form required by the
15 chief county assessment officer.

16 The assessor or chief county assessment officer may
17 determine the eligibility of residential property to receive
18 the homestead exemption provided by this Section by
19 application, visual inspection, questionnaire or other
20 reasonable methods. The determination shall be made in
21 accordance with guidelines established by the Department.

22 In counties with less than 3,000,000 inhabitants, the
23 county board may by resolution provide that if a person has
24 been granted a homestead exemption under this Section, the
25 person qualifying need not reapply for the exemption.

26 In counties with less than 3,000,000 inhabitants, if the

1 assessor or chief county assessment officer requires annual
2 application for verification of eligibility for an exemption
3 once granted under this Section, the application shall be
4 mailed to the taxpayer.

5 The assessor or chief county assessment officer shall
6 notify each person who qualifies for an exemption under this
7 Section that the person may also qualify for deferral of real
8 estate taxes under the Senior Citizens Real Estate Tax Deferral
9 Act. The notice shall set forth the qualifications needed for
10 deferral of real estate taxes, the address and telephone number
11 of county collector, and a statement that applications for
12 deferral of real estate taxes may be obtained from the county
13 collector.

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

17 (Source: P.A. 94-794, eff. 5-22-06; 95-644, eff. 10-12-07;
18 95-876, eff. 8-21-08.)

19 Section 99. Effective date. This Act takes effect upon
20 becoming law.