



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB4709

Introduced 1/4/2010, by Rep. Jack D. Franks

SYNOPSIS AS INTRODUCED:

35 ILCS 200/17-10

Amends the Property Tax Code. Provides that, if the average market value of residential property fell by more than 7% in the previous calendar year, then the Department of Revenue shall include foreclosure sales and short sales in its sales ratio studies. Effective immediately.

LRB096 15977 HLH 31222 b

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 Section 17-10 as follows:

6 (35 ILCS 200/17-10)

7 Sec. 17-10. Sales ratio studies. The Department shall
8 monitor the quality of local assessments by designing,
9 preparing and using ratio studies, and shall use the results as
10 the basis for equalization decisions. In compiling sales ratio
11 studies, the Department shall exclude from the reported sales
12 price of any property any amounts included for personal
13 property and, for sales occurring through December 31, 1999,
14 shall exclude seller paid points. The Department shall not
15 include in its sales ratio studies sales of property which have
16 been platted and for which an increase in the assessed
17 valuation is restricted by Section 10-30. The Department shall
18 not include in its sales ratio studies the initial sale of
19 residential property that has been converted to condominium
20 property. If the average market value of residential property
21 fell by more than 7% in the previous calendar year, then for
22 residential property the Department shall include foreclosure
23 sales and short sales in its sales ratio studies.

1 When the declaration required under the Real Estate
2 Transfer Tax Law contains financing information required under
3 Section 31-25, the Department shall adjust sales prices to
4 exclude seller-paid points and shall adjust sales prices to
5 "cash value" when seller related financing is used that is
6 different than the prevailing cost of cash. The prevailing cost
7 of cash for sales occurring on or after January 1, 1992 shall
8 be established as the monthly average 30-year fixed Primary
9 Mortgage Market Survey rate for the North Central Region as
10 published weekly by the Federal Home Loan Mortgage Corporation,
11 as computed by the Department, or such other rate as determined
12 by the Department. This rate shall be known as the survey rate.
13 For sales occurring on or after January 1, 1992, through
14 December 31, 1999, adjustments in the prevailing cost of cash
15 shall be made only after the survey rate has been at or above
16 13% for 12 consecutive months and will continue until the
17 survey rate has been below 13% for 12 consecutive months. For
18 sales occurring on or after January 1, 2000, adjustments for
19 seller paid points and adjustments in the prevailing cost of
20 cash shall be made only after the survey rate has been at or
21 above 13% for 12 consecutive months and will continue until the
22 survey rate has been below 13% for 12 consecutive months. The
23 Department shall make public its adjustment procedure upon
24 request.

25 (Source: P.A. 91-555, eff. 1-1-00.)

26 Section 99. Effective date. This Act takes effect upon

1 becoming law.