

# HB4914



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

**HB4914**

Introduced 1/15/2010, by Rep. Kay Hatcher

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-170

Amends the Property Tax Code. Increases the maximum reduction under the Senior Citizens Homestead Exemption from \$4,000 to \$7,000 for taxable year 2010 and indexes the reduction to the Consumer Price Index. Effective immediately.

LRB096 15663 HLH 30899 b

FISCAL NOTE ACT  
MAY APPLY

HOUSING  
AFFORDABILITY  
IMPACT 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 (Text of Section before amendment by P.A. 96-339)

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

1 more inhabitants and \$2,000 in all other counties. For taxable  
2 years 2004 through 2005, the maximum reduction shall be \$3,000  
3 in all counties. For taxable years 2006 and 2007, the maximum  
4 reduction shall be \$3,500 in all counties. ~~For and, for~~ taxable  
5 years 2008 and 2009 thereafter, the maximum reduction is \$4,000  
6 in all counties. For taxable year 2010, the maximum reduction  
7 is \$7,000 in all counties. For taxable years 2011 and  
8 thereafter, the maximum reduction is the maximum reduction for  
9 the prior taxable year increased by the annual rate of  
10 increase, for the previous calendar year, of the Consumer Price  
11 Index for All Urban Consumers for all items, published by the  
12 United States Bureau of Labor Statistics.

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

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

14 When a homestead exemption has been granted under this  
15 Section and the person qualifying subsequently becomes a  
16 resident of a facility licensed under the Assisted Living and  
17 Shared Housing Act or the Nursing Home Care Act, the exemption  
18 shall continue so long as the residence continues to be  
19 occupied by the qualifying person's spouse if the spouse is 65  
20 years of age or older, or if the residence remains unoccupied  
21 but is still owned by the person qualified for the homestead  
22 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. 95-644, eff. 10-12-07; 95-876, eff. 8-21-08;  
18 96-355, eff. 1-1-10.)

19 (Text of Section after amendment by P.A. 96-339)

20 Sec. 15-170. Senior Citizens Homestead Exemption. An  
21 annual homestead exemption limited, except as described here  
22 with relation to cooperatives or life care facilities, to a  
23 maximum reduction set forth below from the property's value, as  
24 equalized or assessed by the Department, is granted for  
25 property that is occupied as a residence by a person 65 years

1 of age or older who is liable for paying real estate taxes on  
2 the property and is an owner of record of the property or has a  
3 legal or equitable interest therein as evidenced by a written  
4 instrument, except for a leasehold interest, other than a  
5 leasehold interest of land on which a single family residence  
6 is located, which is occupied as a residence by a person 65  
7 years or older who has an ownership interest therein, legal,  
8 equitable or as a lessee, and on which he or she is liable for  
9 the payment of property taxes. Before taxable year 2004, the  
10 maximum reduction shall be \$2,500 in counties with 3,000,000 or  
11 more inhabitants and \$2,000 in all other counties. For taxable  
12 years 2004 through 2005, the maximum reduction shall be \$3,000  
13 in all counties. For taxable years 2006 and 2007, the maximum  
14 reduction shall be \$3,500 in all counties. ~~For and, for~~ taxable  
15 years 2008 and 2009 thereafter, the maximum reduction is \$4,000  
16 in all counties. For taxable year 2010, the maximum reduction  
17 is \$7,000 in all counties. For taxable years 2011 and  
18 thereafter, the maximum reduction is the maximum reduction for  
19 the prior taxable year increased by the annual rate of  
20 increase, for the previous calendar year, of the Consumer Price  
21 Index for All Urban Consumers for all items, published by the  
22 United States Bureau of Labor Statistics.

23 For land improved with an apartment building owned and  
24 operated as a cooperative, the maximum reduction from the value  
25 of the property, as equalized by the Department, shall be  
26 multiplied by the number of apartments or units occupied by a



1 person 65 years of age or older who is liable, by contract with  
2 the owner or owners of record, for paying property taxes on the  
3 property and is an owner of record of a legal or equitable  
4 interest in the cooperative apartment building, other than a  
5 leasehold interest. For land improved with a life care  
6 facility, the maximum reduction from the value of the property,  
7 as equalized by the Department, shall be multiplied by the  
8 number of apartments or units occupied by persons 65 years of  
9 age or older, irrespective of any legal, equitable, or  
10 leasehold interest in the facility, who are liable, under a  
11 contract with the owner or owners of record of the facility,  
12 for paying property taxes on the property. In a cooperative or  
13 a life care facility where a homestead exemption has been  
14 granted, the cooperative association or the management firm of  
15 the cooperative or facility shall credit the savings resulting  
16 from that exemption only to the apportioned tax liability of  
17 the owner or resident who qualified for the exemption. Any  
18 person who willfully refuses to so credit the savings shall be  
19 guilty of a Class B misdemeanor. Under this Section and  
20 Sections 15-175, 15-176, and 15-177, "life care facility" means  
21 a facility, as defined in Section 2 of the Life Care Facilities  
22 Act, with which the applicant for the homestead exemption has a  
23 life care contract as defined in that Act.

24 When a homestead exemption has been granted under this  
25 Section and the person qualifying subsequently becomes a  
26 resident of a facility licensed under the Assisted Living and

1 Shared Housing Act, ~~or~~ the Nursing Home Care Act, or the MR/DD  
2 Community Care Act, the exemption shall continue so long as the  
3 residence continues to be occupied by the qualifying person's  
4 spouse if the spouse is 65 years of age or older, or if the  
5 residence remains unoccupied but is still owned by the person  
6 qualified for the homestead exemption.

7 A person who will be 65 years of age during the current  
8 assessment year shall be eligible to apply for the homestead  
9 exemption during that assessment year. Application shall be  
10 made during the application period in effect for the county of  
11 his residence.

12 Beginning with assessment year 2003, for taxes payable in  
13 2004, property that is first occupied as a residence after  
14 January 1 of any assessment year by a person who is eligible  
15 for the senior citizens homestead exemption under this Section  
16 must be granted a pro-rata exemption for the assessment year.  
17 The amount of the pro-rata exemption is the exemption allowed  
18 in the county under this Section divided by 365 and multiplied  
19 by the number of days during the assessment year the property  
20 is occupied as a residence by a person eligible for the  
21 exemption under this Section. The chief county assessment  
22 officer must adopt reasonable procedures to establish  
23 eligibility for this pro-rata exemption.

24 The assessor or chief county assessment officer may  
25 determine the eligibility of a life care facility to receive  
26 the benefits provided by this Section, by affidavit,

1 application, visual inspection, questionnaire or other  
2 reasonable methods in order to insure that the tax savings  
3 resulting from the exemption are credited by the management  
4 firm to the apportioned tax liability of each qualifying  
5 resident. The assessor may request reasonable proof that the  
6 management firm has so credited the exemption.

7 The chief county assessment officer of each county with  
8 less than 3,000,000 inhabitants shall provide to each person  
9 allowed a homestead exemption under this Section a form to  
10 designate any other person to receive a duplicate of any notice  
11 of delinquency in the payment of taxes assessed and levied  
12 under this Code on the property of the person receiving the  
13 exemption. The duplicate notice shall be in addition to the  
14 notice required to be provided to the person receiving the  
15 exemption, and shall be given in the manner required by this  
16 Code. The person filing the request for the duplicate notice  
17 shall pay a fee of \$5 to cover administrative costs to the  
18 supervisor of assessments, who shall then file the executed  
19 designation with the county collector. Notwithstanding any  
20 other provision of this Code to the contrary, the filing of  
21 such an executed designation requires the county collector to  
22 provide duplicate notices as indicated by the designation. A  
23 designation may be rescinded by the person who executed such  
24 designation at any time, in the manner and form required by the  
25 chief county assessment officer.

26 The assessor or chief county assessment officer may

1 determine the eligibility of residential property to receive  
2 the homestead exemption provided by this Section by  
3 application, visual inspection, questionnaire or other  
4 reasonable methods. The determination shall be made in  
5 accordance with guidelines established by the Department.

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

10 In counties with less than 3,000,000 inhabitants, if the  
11 assessor or chief county assessment officer requires annual  
12 application for verification of eligibility for an exemption  
13 once granted under this Section, the application shall be  
14 mailed to the taxpayer.

15 The assessor or chief county assessment officer shall  
16 notify each person who qualifies for an exemption under this  
17 Section that the person may also qualify for deferral of real  
18 estate taxes under the Senior Citizens Real Estate Tax Deferral  
19 Act. The notice shall set forth the qualifications needed for  
20 deferral of real estate taxes, the address and telephone number  
21 of county collector, and a statement that applications for  
22 deferral of real estate taxes may be obtained from the county  
23 collector.

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

1 (Source: P.A. 95-644, eff. 10-12-07; 95-876, eff. 8-21-08;  
2 96-339, eff. 7-1-10; 96-355, eff. 1-1-10; revised 9-25-09.)

3 Section 95. No acceleration or delay. Where this Act makes  
4 changes in a statute that is represented in this Act by text  
5 that is not yet or no longer in effect (for example, a Section  
6 represented by multiple versions), the use of that text does  
7 not accelerate or delay the taking effect of (i) the changes  
8 made by this Act or (ii) provisions derived from any other  
9 Public Act.

10 Section 99. Effective date. This Act takes effect upon  
11 becoming law.