

SB2795



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

SB2795

Introduced 1/28/2010, by Sen. Pamela J. Althoff

SYNOPSIS AS INTRODUCED:

35 ILCS 200/10-30
35 ILCS 200/10-31

Amends the Property Tax Code. Exempts property that is part of a special service area in which taxes are extended solely upon the value of the land from provisions of the Code concerning the assessment of subdivisions by not including the value of infrastructure improvements. Effective immediately.

LRB096 19617 HLH 35012 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 Sections 10-30 and 10-31 as follows:

6 (35 ILCS 200/10-30)

7 Sec. 10-30. Subdivisions; counties of less than 3,000,000.

8 (a) In counties with less than 3,000,000 inhabitants, the
9 platting and subdivision of property into separate lots and the
10 development of the subdivided property with streets,
11 sidewalks, curbs, gutters, sewer, water and utility lines shall
12 not increase the assessed valuation of all or any part of the
13 property, if:

14 (1) The property is platted and subdivided in
15 accordance with the Plat Act;

16 (2) The platting occurs after January 1, 1978;

17 (3) At the time of platting the property is in excess
18 of 5 acres; and

19 (4) At the time of platting the property is vacant or
20 used as a farm as defined in Section 1-60.

21 This Section does not apply to any property that is part of
22 a special service area created under the Special Service Area
23 Tax Law in which the ad valorem taxes in the special service

1 area are extended solely upon the equalized assessed value of
2 the land in the special service area, without regard to
3 improvements (as authorized by the third paragraph of Section
4 27-75 of the Special Service Area Tax Law).

5 (b) Except as provided in subsection (c) of this Section,
6 the assessed valuation of property so platted and subdivided
7 shall be determined each year based on the estimated price the
8 property would bring at a fair voluntary sale for use by the
9 buyer for the same purposes for which the property was used
10 when last assessed prior to its platting.

11 (c) Upon completion of a habitable structure on any lot of
12 subdivided property, or upon the use of any lot, either alone
13 or in conjunction with any contiguous property, for any
14 business, commercial or residential purpose, or upon the
15 initial sale of any platted lot, including a platted lot which
16 is vacant: (i) the provisions of subsection (b) of this Section
17 shall no longer apply in determining the assessed valuation of
18 the lot, (ii) each lot shall be assessed without regard to any
19 provision of this Section, and (iii) the assessed valuation of
20 the remaining property, when next determined, shall be reduced
21 proportionately to reflect the exclusion of the property that
22 no longer qualifies for valuation under this Section. Holding
23 or offering a platted lot for initial sale shall not constitute
24 a use of the lot for business, commercial or residential
25 purposes unless a habitable structure is situated on the lot or
26 unless the lot is otherwise used for a business, commercial or

1 residential purpose.

2 (d) This Section applies before the effective date of this
3 amendatory Act of the 96th General Assembly and then applies
4 again beginning January 1, 2012.

5 (Source: P.A. 95-135, eff. 1-1-08; 96-480, eff. 8-14-09.)

6 (35 ILCS 200/10-31)

7 Sec. 10-31. Subdivisions; counties of less than 3,000,000.

8 (a) In counties with less than 3,000,000 inhabitants, the
9 platting and subdivision of property into separate lots and the
10 development of the subdivided property with streets,
11 sidewalks, curbs, gutters, sewer, water and utility lines shall
12 not increase the assessed valuation of all or any part of the
13 property, if:

14 (1) The property is platted and subdivided in
15 accordance with the Plat Act;

16 (2) The platting occurs after January 1, 1978;

17 (3) At the time of platting the property is in excess
18 of 5 acres; and

19 (4) At the time of platting or replatting the property
20 is vacant or used as a farm as defined in Section 1-60.

21 This Section does not apply to any property that is part of
22 a special service area created under the Special Service Area
23 Tax Law in which the ad valorem taxes in the special service
24 area are extended solely upon the equalized assessed value of
25 the land in the special service area, without regard to

1 improvements (as authorized by the third paragraph of Section
2 27-75 of the Special Service Area Tax Law).

3 (b) Except as provided in subsection (c) of this Section,
4 the assessed valuation of property so platted and subdivided
5 shall be determined based on the assessed value assigned to the
6 property when last assessed prior to its last transfer or
7 conveyance. An initial sale of any platted lot, including a lot
8 that is vacant, or a transfer to a holder of a mortgage, as
9 defined in Section 15-1207 of the Code of Civil Procedure,
10 pursuant to a mortgage foreclosure proceeding or pursuant to a
11 transfer in lieu of foreclosure, does not disqualify that lot
12 from the provisions of this subsection (b).

13 (c) Upon completion of a habitable structure on any lot of
14 subdivided property, or upon the use of any lot, either alone
15 or in conjunction with any contiguous property, for any
16 business, commercial or residential purpose: (i) the
17 provisions of subsection (b) of this Section shall no longer
18 apply in determining the assessed valuation of the lot, (ii)
19 each lot shall be assessed without regard to any provision of
20 this Section, and (iii) the assessed valuation of the remaining
21 property, when next determined, shall be reduced
22 proportionately to reflect the exclusion of the property that
23 no longer qualifies for valuation under this Section. Holding
24 or offering a platted lot for initial sale shall not constitute
25 a use of the lot for business, commercial or residential
26 purposes unless a habitable structure is situated on the lot or

1 unless the lot is otherwise used for a business, commercial or
2 residential purpose. The replatting of a subdivision or portion
3 of a subdivision does not disqualify the replatted lots from
4 the provisions of subsection (b).

5 (d) This Section applies on and after the effective date of
6 this amendatory Act of the 96th General Assembly and through
7 December 31, 2011.

8 (Source: P.A. 96-480, eff. 8-14-09.)

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