

HB1211



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB1211

by Rep. Natalie A Manley

SYNOPSIS AS INTRODUCED:

35 ILCS 200/17-10

Amends the Property Tax Code. Provides that the Department shall not include compulsory sales occurring on or after January 1, 2013 in its sales ratio studies, unless the compulsory sale would otherwise be considered an arm's length transaction, based on existing sales ratio study standards. Effective immediately.

LRB098 03899 HLH 33917 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 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. The Department shall include compulsory sales
21 occurring on or after January 1, 2011 and prior to January 1,
22 2013 in its sales ratio studies. The Department shall not
23 include compulsory sales occurring on or after January 1, 2013

1 in its sales ratio studies, unless ~~The Department shall also~~
2 ~~consider whether~~ the compulsory sale would otherwise be
3 considered an arm's length transaction, based on existing sales
4 ratio study standards.

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

1 Department shall make public its adjustment procedure upon
2 request.

3 (Source: P.A. 96-1083, eff. 7-16-10.)

4 Section 99. Effective date. This Act takes effect upon
5 becoming law.