



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

HB2901

by Rep. Michael J. Zalewski

#### SYNOPSIS AS INTRODUCED:

See Index

Amends the Property Tax Code. Provides that a taxing district may adopt a levy to recapture revenue lost due to refunds issued pursuant to a decision of the Property Tax Appeal Board, an assessment or exemption decision of the Department of Revenue, a court order, or an administrative decision of a local assessment official. Provides that those recapture levies are not included in the taxing district's aggregate extension base under the Property Tax Extension Limitation Law. Provides that any taxpayer who has received a refund that has been included in a recapture levy by one or more taxing districts has the right to an abatement in an amount equal to a portion of that refund amount, subject to certain limitations. Repeals a Section of the School Code requiring the State Board of Education to incorporate and deduct the total aggregate adjustments to assessments made by the State Property Tax Appeal Board or Cook County Board of Appeals from the equalized assessed valuation of the district when calculating the amount of State aid to be apportioned to school districts. Provides that commercial or industrial taxpayers who (i) receive a final assessment that exceeds the final assessment of the immediate past year by \$100,000 or more in assessed valuation, and (ii) intend to seek further review of the assessment shall give notice of their intent to seek a review to the governing body of any municipality, school district, and community college district in which the property is situated.

LRB098 09538 HLH 41310 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 Sections 18-185 and 30-10 and by adding Section 18-53 as  
6 follows:

7 (35 ILCS 200/18-53 new)

8 Sec. 18-53. Recovery of revenue lost due to tax refunds.

9 (a) When a taxing district is required to refund a portion  
10 of the property tax revenue distributed to that taxing district  
11 because of a decision of the Property Tax Appeal Board, an  
12 assessment or exemption decision of the Department of Revenue,  
13 a court order issued pursuant to an assessment valuation  
14 complaint under item (3) of subsection (b) of Section 23-15, or  
15 an administrative decision of a local assessment official  
16 reducing the assessed value of a property within the district,  
17 that taxing district may, without referendum, adopt a levy to  
18 recapture the revenue lost by the refund or refunds.

19 (b) The recapture levy must not exceed an amount equal to  
20 the aggregate refunds of principal taxes (excluding any  
21 interest) paid by the district for the prior calendar year. At  
22 the district's option, the total amount to be recaptured for  
23 the prior calendar year may be levied and extended in up to 3

1 successive annual installments, but the total of all  
2 installments shall not exceed the amount allowed under this  
3 Section for a single levy. Each single levy or installment of a  
4 recapture levy must be included as a separate line item in the  
5 district's regular levy ordinance, and the ordinance must  
6 specify for each item the year of recapture and whether the  
7 item is the first, second, or third installment of the total  
8 recapture for that year. The total amount of all recapture line  
9 items in any one levy ordinance shall not exceed 5% of the  
10 aggregate amount of all other items included in that ordinance  
11 except for debt service. Within 45 days after a request by a  
12 taxing district, the county treasurer must certify the  
13 aggregate refunds paid by a taxing district for purposes of  
14 this Section. For purposes of the Property Tax Extension  
15 Limitation Law, the taxing district's aggregate extension base  
16 does not include the recapture levy authorized under this  
17 Section.

18 (c) Whenever the county treasurer certifies aggregate  
19 refunds at the request of a taxing district under this Section,  
20 the treasurer shall keep records of the individual refunds  
21 included in the aggregate. That information shall be provided  
22 to the county clerk. The county clerk shall keep a record of  
23 that information and of any recapture levy that may thereafter  
24 be extended, so that the amount of that extension may be  
25 distinguished from any other levies and extensions for that  
26 district. The county treasurer's and the county clerk's records

1 under this Section must be made available to the public upon  
2 request.

3 (d) Any taxpayer who has received a refund of taxes paid on  
4 his or her property that has been included in a recapture levy  
5 or levies by one or more taxing districts under this Section  
6 has the right to have a portion of the refund amount included  
7 in the extension of each district's recapture levy against his  
8 or her property abated to the extent that the refund amount  
9 included in each district's recapture levy exceeds \$1,000. The  
10 abatement may be granted only upon application as provided in  
11 this Section, and submission of the application shall not delay  
12 or otherwise affect the normal tax extension and billing  
13 process. For purposes of this Section, the property for which  
14 the recapture extension may be abated is defined as one or more  
15 parcels that were the subject of a consolidated refund. If the  
16 taxing district's recapture levy and extension was made in a  
17 lesser amount than the aggregate of all refunds certified by  
18 the treasurer for that district, each abatement shall reflect  
19 that same proportionate reduction.

20 (e) A taxpayer seeking an abatement under this Section  
21 shall apply to the county treasurer after the issuance of the  
22 second installment of the tax bill that includes the amount  
23 sought to be abated, but no later than the due date under  
24 Section 23-10 for tax objection complaints regarding tax levies  
25 of the year for which the recapture levy was extended. The  
26 county treasurer may prescribe the form in which the

1 application shall be made. The application shall include a copy  
2 of the decision or order giving rise to the refund and must  
3 specify the abatement claimed. The treasurer, assisted if  
4 necessary by the county clerk, shall confirm (i) whether the  
5 refund identified in the application was included within the  
6 appropriate treasurer's certification of aggregate refunds and  
7 (ii) the percentage that the refund represents of the total  
8 recapture levy, and, upon such confirmation, the abatement must  
9 be allowed as provided in this Section. If the taxes abated  
10 have been paid, the abatement amount must be refunded. The  
11 treasurer shall determine whether to allow or deny the  
12 application and shall advise the applicant of the determination  
13 within 90 days after its submission, and a failure to make an  
14 express determination within that time shall be deemed a  
15 denial. If the treasurer cannot determine whether the  
16 application should be allowed, or otherwise denies the  
17 application, any taxpayer who has paid the tax subject to the  
18 claimed abatement may petition the circuit court for a refund  
19 in the time and manner provided in Section 20-175. Any refund  
20 granted pursuant to an abatement may not be included in a  
21 recapture levy under this Section.

22 (f) The county treasurer and county clerk shall mark their  
23 records to reflect that any taxes abated under this Section and  
24 any lien with respect to those taxes shall be null and void.

1           Sec. 18-185. Short title; definitions. This Division 5 may  
2 be cited as the Property Tax Extension Limitation Law. As used  
3 in this Division 5:

4           "Consumer Price Index" means the Consumer Price Index for  
5 All Urban Consumers for all items published by the United  
6 States Department of Labor.

7           "Extension limitation" means (a) the lesser of 5% or the  
8 percentage increase in the Consumer Price Index during the  
9 12-month calendar year preceding the levy year or (b) the rate  
10 of increase approved by voters under Section 18-205.

11           "Affected county" means a county of 3,000,000 or more  
12 inhabitants or a county contiguous to a county of 3,000,000 or  
13 more inhabitants.

14           "Taxing district" has the same meaning provided in Section  
15 1-150, except as otherwise provided in this Section. For the  
16 1991 through 1994 levy years only, "taxing district" includes  
17 only each non-home rule taxing district having the majority of  
18 its 1990 equalized assessed value within any county or counties  
19 contiguous to a county with 3,000,000 or more inhabitants.  
20 Beginning with the 1995 levy year, "taxing district" includes  
21 only each non-home rule taxing district subject to this Law  
22 before the 1995 levy year and each non-home rule taxing  
23 district not subject to this Law before the 1995 levy year  
24 having the majority of its 1994 equalized assessed value in an  
25 affected county or counties. Beginning with the levy year in  
26 which this Law becomes applicable to a taxing district as

1 provided in Section 18-213, "taxing district" also includes  
2 those taxing districts made subject to this Law as provided in  
3 Section 18-213.

4 "Aggregate extension" for taxing districts to which this  
5 Law applied before the 1995 levy year means the annual  
6 corporate extension for the taxing district and those special  
7 purpose extensions that are made annually for the taxing  
8 district, excluding special purpose extensions: (a) made for  
9 the taxing district to pay interest or principal on general  
10 obligation bonds that were approved by referendum; (b) made for  
11 any taxing district to pay interest or principal on general  
12 obligation bonds issued before October 1, 1991; (c) made for  
13 any taxing district to pay interest or principal on bonds  
14 issued to refund or continue to refund those bonds issued  
15 before October 1, 1991; (d) made for any taxing district to pay  
16 interest or principal on bonds issued to refund or continue to  
17 refund bonds issued after October 1, 1991 that were approved by  
18 referendum; (e) made for any taxing district to pay interest or  
19 principal on revenue bonds issued before October 1, 1991 for  
20 payment of which a property tax levy or the full faith and  
21 credit of the unit of local government is pledged; however, a  
22 tax for the payment of interest or principal on those bonds  
23 shall be made only after the governing body of the unit of  
24 local government finds that all other sources for payment are  
25 insufficient to make those payments; (f) made for payments  
26 under a building commission lease when the lease payments are

1 for the retirement of bonds issued by the commission before  
2 October 1, 1991, to pay for the building project; (g) made for  
3 payments due under installment contracts entered into before  
4 October 1, 1991; (h) made for payments of principal and  
5 interest on bonds issued under the Metropolitan Water  
6 Reclamation District Act to finance construction projects  
7 initiated before October 1, 1991; (i) made for payments of  
8 principal and interest on limited bonds, as defined in Section  
9 3 of the Local Government Debt Reform Act, in an amount not to  
10 exceed the debt service extension base less the amount in items  
11 (b), (c), (e), and (h) of this definition for non-referendum  
12 obligations, except obligations initially issued pursuant to  
13 referendum; (j) made for payments of principal and interest on  
14 bonds issued under Section 15 of the Local Government Debt  
15 Reform Act; (k) made by a school district that participates in  
16 the Special Education District of Lake County, created by  
17 special education joint agreement under Section 10-22.31 of the  
18 School Code, for payment of the school district's share of the  
19 amounts required to be contributed by the Special Education  
20 District of Lake County to the Illinois Municipal Retirement  
21 Fund under Article 7 of the Illinois Pension Code; the amount  
22 of any extension under this item (k) shall be certified by the  
23 school district to the county clerk; (l) made to fund expenses  
24 of providing joint recreational programs for the handicapped  
25 under Section 5-8 of the Park District Code or Section 11-95-14  
26 of the Illinois Municipal Code; (m) made for temporary



1 relocation loan repayment purposes pursuant to Sections 2-3.77  
2 and 17-2.2d of the School Code; (n) made for payment of  
3 principal and interest on any bonds issued under the authority  
4 of Section 17-2.2d of the School Code; (o) made for  
5 contributions to a firefighter's pension fund created under  
6 Article 4 of the Illinois Pension Code, to the extent of the  
7 amount certified under item (5) of Section 4-134 of the  
8 Illinois Pension Code; ~~and~~ (p) made for road purposes in the  
9 first year after a township assumes the rights, powers, duties,  
10 assets, property, liabilities, obligations, and  
11 responsibilities of a road district abolished under the  
12 provisions of Section 6-133 of the Illinois Highway Code; and  
13 (q) made as a recapture levy under Section 18-53 of the  
14 Property Tax Code.

15 "Aggregate extension" for the taxing districts to which  
16 this Law did not apply before the 1995 levy year (except taxing  
17 districts subject to this Law in accordance with Section  
18 18-213) means the annual corporate extension for the taxing  
19 district and those special purpose extensions that are made  
20 annually for the taxing district, excluding special purpose  
21 extensions: (a) made for the taxing district to pay interest or  
22 principal on general obligation bonds that were approved by  
23 referendum; (b) made for any taxing district to pay interest or  
24 principal on general obligation bonds issued before March 1,  
25 1995; (c) made for any taxing district to pay interest or  
26 principal on bonds issued to refund or continue to refund those

1 bonds issued before March 1, 1995; (d) made for any taxing  
2 district to pay interest or principal on bonds issued to refund  
3 or continue to refund bonds issued after March 1, 1995 that  
4 were approved by referendum; (e) made for any taxing district  
5 to pay interest or principal on revenue bonds issued before  
6 March 1, 1995 for payment of which a property tax levy or the  
7 full faith and credit of the unit of local government is  
8 pledged; however, a tax for the payment of interest or  
9 principal on those bonds shall be made only after the governing  
10 body of the unit of local government finds that all other  
11 sources for payment are insufficient to make those payments;  
12 (f) made for payments under a building commission lease when  
13 the lease payments are for the retirement of bonds issued by  
14 the commission before March 1, 1995 to pay for the building  
15 project; (g) made for payments due under installment contracts  
16 entered into before March 1, 1995; (h) made for payments of  
17 principal and interest on bonds issued under the Metropolitan  
18 Water Reclamation District Act to finance construction  
19 projects initiated before October 1, 1991; (h-4) made for  
20 stormwater management purposes by the Metropolitan Water  
21 Reclamation District of Greater Chicago under Section 12 of the  
22 Metropolitan Water Reclamation District Act; (i) made for  
23 payments of principal and interest on limited bonds, as defined  
24 in Section 3 of the Local Government Debt Reform Act, in an  
25 amount not to exceed the debt service extension base less the  
26 amount in items (b), (c), and (e) of this definition for

1 non-referendum obligations, except obligations initially  
2 issued pursuant to referendum and bonds described in subsection  
3 (h) of this definition; (j) made for payments of principal and  
4 interest on bonds issued under Section 15 of the Local  
5 Government Debt Reform Act; (k) made for payments of principal  
6 and interest on bonds authorized by Public Act 88-503 and  
7 issued under Section 20a of the Chicago Park District Act for  
8 aquarium or museum projects; (l) made for payments of principal  
9 and interest on bonds authorized by Public Act 87-1191 or  
10 93-601 and (i) issued pursuant to Section 21.2 of the Cook  
11 County Forest Preserve District Act, (ii) issued under Section  
12 42 of the Cook County Forest Preserve District Act for  
13 zoological park projects, or (iii) issued under Section 44.1 of  
14 the Cook County Forest Preserve District Act for botanical  
15 gardens projects; (m) made pursuant to Section 34-53.5 of the  
16 School Code, whether levied annually or not; (n) made to fund  
17 expenses of providing joint recreational programs for the  
18 handicapped under Section 5-8 of the Park District Code or  
19 Section 11-95-14 of the Illinois Municipal Code; (o) made by  
20 the Chicago Park District for recreational programs for the  
21 handicapped under subsection (c) of Section 7.06 of the Chicago  
22 Park District Act; (p) made for contributions to a  
23 firefighter's pension fund created under Article 4 of the  
24 Illinois Pension Code, to the extent of the amount certified  
25 under item (5) of Section 4-134 of the Illinois Pension Code;  
26 ~~and~~ (q) made by Ford Heights School District 169 under Section

1 17-9.02 of the School Code; and (r) made as a recapture levy  
2 under Section 18-53 of the Property Tax Code.

3 "Aggregate extension" for all taxing districts to which  
4 this Law applies in accordance with Section 18-213, except for  
5 those taxing districts subject to paragraph (2) of subsection  
6 (e) of Section 18-213, means the annual corporate extension for  
7 the taxing district and those special purpose extensions that  
8 are made annually for the taxing district, excluding special  
9 purpose extensions: (a) made for the taxing district to pay  
10 interest or principal on general obligation bonds that were  
11 approved by referendum; (b) made for any taxing district to pay  
12 interest or principal on general obligation bonds issued before  
13 the date on which the referendum making this Law applicable to  
14 the taxing district is held; (c) made for any taxing district  
15 to pay interest or principal on bonds issued to refund or  
16 continue to refund those bonds issued before the date on which  
17 the referendum making this Law applicable to the taxing  
18 district is held; (d) made for any taxing district to pay  
19 interest or principal on bonds issued to refund or continue to  
20 refund bonds issued after the date on which the referendum  
21 making this Law applicable to the taxing district is held if  
22 the bonds were approved by referendum after the date on which  
23 the referendum making this Law applicable to the taxing  
24 district is held; (e) made for any taxing district to pay  
25 interest or principal on revenue bonds issued before the date  
26 on which the referendum making this Law applicable to the

1 taxing district is held for payment of which a property tax  
2 levy or the full faith and credit of the unit of local  
3 government is pledged; however, a tax for the payment of  
4 interest or principal on those bonds shall be made only after  
5 the governing body of the unit of local government finds that  
6 all other sources for payment are insufficient to make those  
7 payments; (f) made for payments under a building commission  
8 lease when the lease payments are for the retirement of bonds  
9 issued by the commission before the date on which the  
10 referendum making this Law applicable to the taxing district is  
11 held to pay for the building project; (g) made for payments due  
12 under installment contracts entered into before the date on  
13 which the referendum making this Law applicable to the taxing  
14 district is held; (h) made for payments of principal and  
15 interest on limited bonds, as defined in Section 3 of the Local  
16 Government Debt Reform Act, in an amount not to exceed the debt  
17 service extension base less the amount in items (b), (c), and  
18 (e) of this definition for non-referendum obligations, except  
19 obligations initially issued pursuant to referendum; (i) made  
20 for payments of principal and interest on bonds issued under  
21 Section 15 of the Local Government Debt Reform Act; (j) made  
22 for a qualified airport authority to pay interest or principal  
23 on general obligation bonds issued for the purpose of paying  
24 obligations due under, or financing airport facilities  
25 required to be acquired, constructed, installed or equipped  
26 pursuant to, contracts entered into before March 1, 1996 (but

1 not including any amendments to such a contract taking effect  
2 on or after that date); (k) made to fund expenses of providing  
3 joint recreational programs for the handicapped under Section  
4 5-8 of the Park District Code or Section 11-95-14 of the  
5 Illinois Municipal Code; (l) made for contributions to a  
6 firefighter's pension fund created under Article 4 of the  
7 Illinois Pension Code, to the extent of the amount certified  
8 under item (5) of Section 4-134 of the Illinois Pension Code;  
9 ~~and~~ (m) made for the taxing district to pay interest or  
10 principal on general obligation bonds issued pursuant to  
11 Section 19-3.10 of the School Code; and (n) made as a recapture  
12 levy under Section 18-53 of the Property Tax Code.

13 "Aggregate extension" for all taxing districts to which  
14 this Law applies in accordance with paragraph (2) of subsection  
15 (e) of Section 18-213 means the annual corporate extension for  
16 the taxing district and those special purpose extensions that  
17 are made annually for the taxing district, excluding special  
18 purpose extensions: (a) made for the taxing district to pay  
19 interest or principal on general obligation bonds that were  
20 approved by referendum; (b) made for any taxing district to pay  
21 interest or principal on general obligation bonds issued before  
22 the effective date of this amendatory Act of 1997; (c) made for  
23 any taxing district to pay interest or principal on bonds  
24 issued to refund or continue to refund those bonds issued  
25 before the effective date of this amendatory Act of 1997; (d)  
26 made for any taxing district to pay interest or principal on

1 bonds issued to refund or continue to refund bonds issued after  
2 the effective date of this amendatory Act of 1997 if the bonds  
3 were approved by referendum after the effective date of this  
4 amendatory Act of 1997; (e) made for any taxing district to pay  
5 interest or principal on revenue bonds issued before the  
6 effective date of this amendatory Act of 1997 for payment of  
7 which a property tax levy or the full faith and credit of the  
8 unit of local government is pledged; however, a tax for the  
9 payment of interest or principal on those bonds shall be made  
10 only after the governing body of the unit of local government  
11 finds that all other sources for payment are insufficient to  
12 make those payments; (f) made for payments under a building  
13 commission lease when the lease payments are for the retirement  
14 of bonds issued by the commission before the effective date of  
15 this amendatory Act of 1997 to pay for the building project;  
16 (g) made for payments due under installment contracts entered  
17 into before the effective date of this amendatory Act of 1997;  
18 (h) made for payments of principal and interest on limited  
19 bonds, as defined in Section 3 of the Local Government Debt  
20 Reform Act, in an amount not to exceed the debt service  
21 extension base less the amount in items (b), (c), and (e) of  
22 this definition for non-referendum obligations, except  
23 obligations initially issued pursuant to referendum; (i) made  
24 for payments of principal and interest on bonds issued under  
25 Section 15 of the Local Government Debt Reform Act; (j) made  
26 for a qualified airport authority to pay interest or principal

1 on general obligation bonds issued for the purpose of paying  
2 obligations due under, or financing airport facilities  
3 required to be acquired, constructed, installed or equipped  
4 pursuant to, contracts entered into before March 1, 1996 (but  
5 not including any amendments to such a contract taking effect  
6 on or after that date); (k) made to fund expenses of providing  
7 joint recreational programs for the handicapped under Section  
8 5-8 of the Park District Code or Section 11-95-14 of the  
9 Illinois Municipal Code; ~~and~~ (l) made for contributions to a  
10 firefighter's pension fund created under Article 4 of the  
11 Illinois Pension Code, to the extent of the amount certified  
12 under item (5) of Section 4-134 of the Illinois Pension Code;  
13 and (m) made as a recapture levy under Section 18-53 of the  
14 Property Tax Code.

15 "Debt service extension base" means an amount equal to that  
16 portion of the extension for a taxing district for the 1994  
17 levy year, or for those taxing districts subject to this Law in  
18 accordance with Section 18-213, except for those subject to  
19 paragraph (2) of subsection (e) of Section 18-213, for the levy  
20 year in which the referendum making this Law applicable to the  
21 taxing district is held, or for those taxing districts subject  
22 to this Law in accordance with paragraph (2) of subsection (e)  
23 of Section 18-213 for the 1996 levy year, constituting an  
24 extension for payment of principal and interest on bonds issued  
25 by the taxing district without referendum, but not including  
26 excluded non-referendum bonds. For park districts (i) that were



1 first subject to this Law in 1991 or 1995 and (ii) whose  
2 extension for the 1994 levy year for the payment of principal  
3 and interest on bonds issued by the park district without  
4 referendum (but not including excluded non-referendum bonds)  
5 was less than 51% of the amount for the 1991 levy year  
6 constituting an extension for payment of principal and interest  
7 on bonds issued by the park district without referendum (but  
8 not including excluded non-referendum bonds), "debt service  
9 extension base" means an amount equal to that portion of the  
10 extension for the 1991 levy year constituting an extension for  
11 payment of principal and interest on bonds issued by the park  
12 district without referendum (but not including excluded  
13 non-referendum bonds). A debt service extension base  
14 established or increased at any time pursuant to any provision  
15 of this Law, except Section 18-212, shall be increased each  
16 year commencing with the later of (i) the 2009 levy year or  
17 (ii) the first levy year in which this Law becomes applicable  
18 to the taxing district, by the lesser of 5% or the percentage  
19 increase in the Consumer Price Index during the 12-month  
20 calendar year preceding the levy year. The debt service  
21 extension base may be established or increased as provided  
22 under Section 18-212. "Excluded non-referendum bonds" means  
23 (i) bonds authorized by Public Act 88-503 and issued under  
24 Section 20a of the Chicago Park District Act for aquarium and  
25 museum projects; (ii) bonds issued under Section 15 of the  
26 Local Government Debt Reform Act; or (iii) refunding

1 obligations issued to refund or to continue to refund  
2 obligations initially issued pursuant to referendum.

3 "Special purpose extensions" include, but are not limited  
4 to, extensions for levies made on an annual basis for  
5 unemployment and workers' compensation, self-insurance,  
6 contributions to pension plans, and extensions made pursuant to  
7 Section 6-601 of the Illinois Highway Code for a road  
8 district's permanent road fund whether levied annually or not.  
9 The extension for a special service area is not included in the  
10 aggregate extension.

11 "Aggregate extension base" means the taxing district's  
12 last preceding aggregate extension as adjusted under Sections  
13 18-135, 18-215, and 18-230. An adjustment under Section 18-135  
14 shall be made for the 2007 levy year and all subsequent levy  
15 years whenever one or more counties within which a taxing  
16 district is located (i) used estimated valuations or rates when  
17 extending taxes in the taxing district for the last preceding  
18 levy year that resulted in the over or under extension of  
19 taxes, or (ii) increased or decreased the tax extension for the  
20 last preceding levy year as required by Section 18-135(c).  
21 Whenever an adjustment is required under Section 18-135, the  
22 aggregate extension base of the taxing district shall be equal  
23 to the amount that the aggregate extension of the taxing  
24 district would have been for the last preceding levy year if  
25 either or both (i) actual, rather than estimated, valuations or  
26 rates had been used to calculate the extension of taxes for the

1 last levy year, or (ii) the tax extension for the last  
2 preceding levy year had not been adjusted as required by  
3 subsection (c) of Section 18-135.

4 Notwithstanding any other provision of law, for levy year  
5 2012, the aggregate extension base for West Northfield School  
6 District No. 31 in Cook County shall be \$12,654,592.

7 "Levy year" has the same meaning as "year" under Section  
8 1-155.

9 "New property" means (i) the assessed value, after final  
10 board of review or board of appeals action, of new improvements  
11 or additions to existing improvements on any parcel of real  
12 property that increase the assessed value of that real property  
13 during the levy year multiplied by the equalization factor  
14 issued by the Department under Section 17-30, (ii) the assessed  
15 value, after final board of review or board of appeals action,  
16 of real property not exempt from real estate taxation, which  
17 real property was exempt from real estate taxation for any  
18 portion of the immediately preceding levy year, multiplied by  
19 the equalization factor issued by the Department under Section  
20 17-30, including the assessed value, upon final stabilization  
21 of occupancy after new construction is complete, of any real  
22 property located within the boundaries of an otherwise or  
23 previously exempt military reservation that is intended for  
24 residential use and owned by or leased to a private corporation  
25 or other entity, and (iii) in counties that classify in  
26 accordance with Section 4 of Article IX of the Illinois

1 Constitution, an incentive property's additional assessed  
2 value resulting from a scheduled increase in the level of  
3 assessment as applied to the first year final board of review  
4 market value. In addition, the county clerk in a county  
5 containing a population of 3,000,000 or more shall include in  
6 the 1997 recovered tax increment value for any school district,  
7 any recovered tax increment value that was applicable to the  
8 1995 tax year calculations.

9 "Qualified airport authority" means an airport authority  
10 organized under the Airport Authorities Act and located in a  
11 county bordering on the State of Wisconsin and having a  
12 population in excess of 200,000 and not greater than 500,000.

13 "Recovered tax increment value" means, except as otherwise  
14 provided in this paragraph, the amount of the current year's  
15 equalized assessed value, in the first year after a  
16 municipality terminates the designation of an area as a  
17 redevelopment project area previously established under the  
18 Tax Increment Allocation Development Act in the Illinois  
19 Municipal Code, previously established under the Industrial  
20 Jobs Recovery Law in the Illinois Municipal Code, previously  
21 established under the Economic Development Project Area Tax  
22 Increment Act of 1995, or previously established under the  
23 Economic Development Area Tax Increment Allocation Act, of each  
24 taxable lot, block, tract, or parcel of real property in the  
25 redevelopment project area over and above the initial equalized  
26 assessed value of each property in the redevelopment project

1 area. For the taxes which are extended for the 1997 levy year,  
2 the recovered tax increment value for a non-home rule taxing  
3 district that first became subject to this Law for the 1995  
4 levy year because a majority of its 1994 equalized assessed  
5 value was in an affected county or counties shall be increased  
6 if a municipality terminated the designation of an area in 1993  
7 as a redevelopment project area previously established under  
8 the Tax Increment Allocation Development Act in the Illinois  
9 Municipal Code, previously established under the Industrial  
10 Jobs Recovery Law in the Illinois Municipal Code, or previously  
11 established under the Economic Development Area Tax Increment  
12 Allocation Act, by an amount equal to the 1994 equalized  
13 assessed value of each taxable lot, block, tract, or parcel of  
14 real property in the redevelopment project area over and above  
15 the initial equalized assessed value of each property in the  
16 redevelopment project area. In the first year after a  
17 municipality removes a taxable lot, block, tract, or parcel of  
18 real property from a redevelopment project area established  
19 under the Tax Increment Allocation Development Act in the  
20 Illinois Municipal Code, the Industrial Jobs Recovery Law in  
21 the Illinois Municipal Code, or the Economic Development Area  
22 Tax Increment Allocation Act, "recovered tax increment value"  
23 means the amount of the current year's equalized assessed value  
24 of each taxable lot, block, tract, or parcel of real property  
25 removed from the redevelopment project area over and above the  
26 initial equalized assessed value of that real property before

1 removal from the redevelopment project area.

2 Except as otherwise provided in this Section, "limiting  
3 rate" means a fraction the numerator of which is the last  
4 preceding aggregate extension base times an amount equal to one  
5 plus the extension limitation defined in this Section and the  
6 denominator of which is the current year's equalized assessed  
7 value of all real property in the territory under the  
8 jurisdiction of the taxing district during the prior levy year.  
9 For those taxing districts that reduced their aggregate  
10 extension for the last preceding levy year, the highest  
11 aggregate extension in any of the last 3 preceding levy years  
12 shall be used for the purpose of computing the limiting rate.  
13 The denominator shall not include new property or the recovered  
14 tax increment value. If a new rate, a rate decrease, or a  
15 limiting rate increase has been approved at an election held  
16 after March 21, 2006, then (i) the otherwise applicable  
17 limiting rate shall be increased by the amount of the new rate  
18 or shall be reduced by the amount of the rate decrease, as the  
19 case may be, or (ii) in the case of a limiting rate increase,  
20 the limiting rate shall be equal to the rate set forth in the  
21 proposition approved by the voters for each of the years  
22 specified in the proposition, after which the limiting rate of  
23 the taxing district shall be calculated as otherwise provided.  
24 (Source: P.A. 96-501, eff. 8-14-09; 96-517, eff. 8-14-09;  
25 96-1000, eff. 7-2-10; 96-1202, eff. 7-22-10; 97-611, eff.  
26 1-1-12; 97-1154, eff. 1-25-13.)

1 (35 ILCS 200/30-10)

2 Sec. 30-10. Special reserve fund.

3 (a) The governing body of any taxing district may, by  
4 ordinance or resolution, establish a special reserve fund for  
5 the purpose of accumulating monies to pay refunds of  
6 erroneously or illegally collected taxes. A taxing district  
7 establishing a special fund may transfer into the fund each  
8 year taxes or monies from the general corporate fund to be used  
9 solely for the payment of tax refunds and expenses incident to  
10 refunds. The balance of the fund shall not exceed 1/2 of 1% of  
11 the equalized assessed valuation of property in the taxing  
12 district, exclusive of any amounts paid into the fund under  
13 subsection (b) of this Section.

14 (b) Commercial or industrial taxpayers who (i) receive a  
15 final assessment as certified under Section 16-85 or 16-150 of  
16 this Act that exceeds the final assessment of the immediate  
17 past year by \$100,000 or more in assessed valuation, and (ii)  
18 intend to seek further review of the assessment shall give  
19 notice of their intent to seek a review to the governing body  
20 of any municipality, school district, and community college  
21 district in which the property is situated. Notice shall be  
22 sent by mail within 30 days after filing an appeal petition  
23 with the Property Tax Appeal Board pursuant to Section 16-160  
24 of this Code or of filing a tax objection complaint in circuit  
25 court pursuant to Section 23-10. The governing body of any

1 taxing district receiving this notice from a commercial or  
2 industrial taxpayer may transfer into the special reserve fund  
3 authorized by subsection (a) of this Section all amounts  
4 received from the taxpayer exceeding the amounts received from  
5 that taxpayer for the immediate prior tax year. The transfer  
6 may be made at any time during the pendency of the appeal or  
7 tax objection proceedings. These amounts may remain in the  
8 reserve fund until the taxpayer has exhausted all further  
9 rights to administrative or judicial review of the matter and  
10 shall be disbursed in accordance with the final resolution of  
11 the matter. Amounts refunded to the taxpayer are subject to the  
12 provisions of Section 18-53 of this Act. Failure of a  
13 municipality, school district, or community college district  
14 to receive the notice shall not invalidate any existing  
15 proceedings by the taxpayer for review in either the Property  
16 Tax Appeal Board or in the courts.

17 (Source: P.A. 84-205; 88-455.)

18 Section 10. The School Code is amended by changing Section  
19 2-3.33 as follows:

20 (105 ILCS 5/2-3.33) (from Ch. 122, par. 2-3.33)

21 Sec. 2-3.33. Recomputation of claims. To recompute within  
22 3 years from the final date for filing of a claim any claim for  
23 reimbursement to any school district if the claim has been  
24 found to be incorrect and to adjust subsequent claims



1 accordingly, and to recompute and adjust any such claims within  
2 6 years from the final date for filing when there has been an  
3 adverse court or administrative agency decision on the merits  
4 affecting the tax revenues of the school district, but  
5 excluding revenue recovered under Section 18-53 of the Property  
6 Tax Code. However, no such adjustment shall be made regarding  
7 equalized assessed valuation unless the district's equalized  
8 assessed valuation is changed by greater than \$250,000 or 2%.

9 Except in the case of an adverse court or administrative  
10 agency decision no recomputation of a State aid claim shall be  
11 made pursuant to this Section as a result of a reduction in the  
12 assessed valuation of a school district from the assessed  
13 valuation of the district reported to the State Board of  
14 Education by the Department of Revenue under Section 18-8.05  
15 unless the requirements of Section 16-15 of the Property Tax  
16 Code ~~and Section 2-3.84 of this Code~~ are complied with in all  
17 respects.

18 This paragraph applies to all requests for recomputation of  
19 a general State aid claim received after June 30, 2003. In  
20 recomputing a general State aid claim that was originally  
21 calculated using an extension limitation equalized assessed  
22 valuation under paragraph (3) of subsection (G) of Section  
23 18-8.05 of this Code, a qualifying reduction in equalized  
24 assessed valuation shall be deducted from the extension  
25 limitation equalized assessed valuation that was used in  
26 calculating the original claim.

1           From the total amount of general State aid to be provided  
2 to districts, adjustments as a result of recomputation under  
3 this Section ~~together with adjustments under Section 2-3.84~~  
4 must not exceed \$25 million, in the aggregate for all districts  
5 ~~under both Sections combined~~, of the general State aid  
6 appropriation in any fiscal year; if necessary, amounts shall  
7 be prorated among districts. If it is necessary to prorate  
8 claims under this paragraph, then that portion of each prorated  
9 claim that is approved but not paid in the current fiscal year  
10 may be resubmitted as a valid claim in the following fiscal  
11 year.

12           (Source: P.A. 93-845, eff. 7-30-04.)

13           (105 ILCS 5/2-3.84 rep.)

14           Section 15. The School Code is amended by repealing Section  
15 2-3.84.

1 INDEX

2 Statutes amended in order of appearance

3 35 ILCS 200/18-53 new

4 35 ILCS 200/18-185

5 35 ILCS 200/30-10

6 105 ILCS 5/2-3.33 from Ch. 122, par. 2-3.33

7 105 ILCS 5/2-3.84 rep.