

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 9-195, 15-60, and 21-95 as follows:

6 (35 ILCS 200/9-195)

7 Sec. 9-195. Leasing of exempt property.

8 (a) Except as provided in Sections 15-35, 15-55, 15-60,
9 15-100, 15-103, 15-160, and 15-185, when property which is
10 exempt from taxation is leased to another whose property is not
11 exempt, and the leasing of which does not make the property
12 taxable, the leasehold estate and the appurtenances shall be
13 listed as the property of the lessee thereof, or his or her
14 assignee. Taxes on that property shall be collected in the same
15 manner as on property that is not exempt, and the lessee shall
16 be liable for those taxes. However, no tax lien shall attach to
17 the exempt real estate. The changes made by this amendatory Act
18 of 1997 and by this amendatory Act of the 91st General Assembly
19 are declaratory of existing law and shall not be construed as a
20 new enactment. The changes made by Public Acts 88-221 and
21 88-420 that are incorporated into this Section by this
22 amendatory Act of 1993 are declarative of existing law and are
23 not a new enactment.

1 (b) The provisions of this Section regarding taxation of
2 leasehold interests in exempt property do not apply to any
3 leasehold interest created pursuant to any transaction
4 described in subsection (e) of Section 15-35, subsection (c-5)
5 or (g) of Section 15-60, subsection (b) of Section 15-100,
6 Section 15-103, Section 15-160, or Section 15-185.

7 (Source: P.A. 97-1161, eff. 6-1-13.)

8 (35 ILCS 200/15-60)

9 Sec. 15-60. Taxing district property. All property
10 belonging to any county or municipality used exclusively for
11 the maintenance of the poor is exempt, as is all property owned
12 by a taxing district that is being held for future expansion or
13 development, except if leased by the taxing district to lessees
14 for use for other than public purposes.

15 Also exempt are:

16 (a) all swamp or overflowed lands belonging to any
17 county;

18 (b) all public buildings belonging to any county,
19 township, or municipality, with the ground on which the
20 buildings are erected;

21 (c) all property owned by any municipality located
22 within its incorporated limits. Any such property leased by
23 a municipality shall remain exempt, and the leasehold
24 interest of the lessee shall be assessed under Section
25 9-195 of this Act, (i) for a lease entered into on or after

1 January 1, 1994, unless the lease expressly provides that
2 this exemption shall not apply; (ii) for a lease entered
3 into on or after the effective date of Public Act 87-1280
4 and before January 1, 1994, unless the lease expressly
5 provides that this exemption shall not apply or unless
6 evidence other than the lease itself substantiates the
7 intent of the parties to the lease that this exemption
8 shall not apply; and (iii) for a lease entered into before
9 the effective date of Public Act 87-1280, if the terms of
10 the lease do not bind the lessee to pay the taxes on the
11 leased property or if, notwithstanding the terms of the
12 lease, the municipality has filed or hereafter files a
13 timely exemption petition or complaint with respect to
14 property consisting of or including the leased property for
15 an assessment year which includes part or all of the first
16 12 months of the lease period. The foregoing clause (iii)
17 added by Public Act 87-1280 shall not operate to exempt
18 property for any assessment year as to which no timely
19 exemption petition or complaint has been filed by the
20 municipality or as to which an administrative or court
21 decision denying exemption has become final and
22 nonappealable. For each assessment year or portion thereof
23 that property is made exempt by operation of the foregoing
24 clause (iii), whether such year or portion is before or
25 after the effective date of Public Act 87-1280, the
26 leasehold interest of the lessee shall, if necessary, be

1 considered omitted property for purposes of this Act;

2 (c-5) Notwithstanding clause (i) of subsection (c),
3 all property owned by a municipality with a population of
4 over 500,000 that is used for toll road or toll bridge
5 purposes and that is leased for those purposes to another
6 entity whose property is not exempt shall remain exempt,
7 and any leasehold interest in the property shall not be
8 subject to taxation under Section 9-195 of this Act;

9 (d) all property owned by any municipality located
10 outside its incorporated limits but within the same county
11 when used as a tuberculosis sanitarium, farm colony in
12 connection with a house of correction, or nursery, garden,
13 or farm, or for the growing of shrubs, trees, flowers,
14 vegetables, and plants for use in beautifying,
15 maintaining, and operating playgrounds, parks, parkways,
16 public grounds, buildings, and institutions owned or
17 controlled by the municipality;

18 (e) all property owned by a township and operated as
19 senior citizen housing under Sections 35-50 through
20 35-50.6 of the Township Code; ~~and~~

21 (f) all property owned by the Executive Board of the
22 Mutual Aid Box Alarm System (MABAS), a unit of
23 intergovernmental cooperation, that is used for the public
24 purpose of disaster preparedness and response for units of
25 local government and the State of Illinois pursuant to
26 Section 10 of Article VII of the Illinois Constitution and

1 the Intergovernmental Cooperation Act; and -

2 (g) all property owned by a county of more than
3 3,000,000 inhabitants, or by one or more municipalities
4 within such a county, for which a land bank has been
5 created pursuant to an ordinance or intergovernmental
6 agreement in order to promote redevelopment or reuse of
7 vacant, abandoned, or tax-delinquent properties, to
8 support targeted efforts to stabilize neighborhoods, and
9 to stimulate residential, commercial, and industrial
10 development; all property owned by a county of more than
11 3,000,000 inhabitants, or one or more municipalities
12 within such a county, for which a land bank has been
13 created pursuant to an ordinance or intergovernmental
14 agreement, that is leased for land banking purposes to
15 another entity whose property is not exempt shall remain
16 exempt, and any leasehold interest in the property shall
17 not be subject to taxation under Section 9-195 of this Act
18 for a period of 10 years.

19 All property owned by any municipality outside of its
20 corporate limits is exempt if used exclusively for municipal or
21 public purposes.

22 For purposes of this Section, "municipality" means a
23 municipality, as defined in Section 1-1-2 of the Illinois
24 Municipal Code.

25 (Source: P.A. 98-206, eff. 1-1-14.)

1 (35 ILCS 200/21-95)

2 Sec. 21-95. Tax abatement after acquisition by a
3 governmental unit. When any county, municipality, school
4 district, or park district acquires property through the
5 foreclosure of a lien, through a judicial deed, through the
6 foreclosure of receivership certificate lien, or by acceptance
7 of a deed of conveyance in lieu of foreclosing any lien against
8 the property, or when a government unit acquires property under
9 the Abandoned Housing Rehabilitation Act, or when any county or
10 other taxing district acquires a deed for property under
11 Section 21-90 or Sections 21-145 and 21-260, or when any
12 county, municipality, school district, or park district
13 acquires title to property that was to be transferred to that
14 county, municipality, school district, or park district under
15 the terms of an annexation agreement, development agreement,
16 donation agreement, plat of subdivision, or zoning ordinance by
17 an entity that has been dissolved or is being dissolved or has
18 been in bankruptcy proceedings or is in bankruptcy proceedings,
19 or when a county of more than 3,000,000 inhabitants, or one or
20 more municipalities within a county of more than 3,000,000
21 inhabitants, for which a land bank has been created pursuant to
22 an ordinance or intergovernmental agreement, acquires property
23 for land bank purposes as described in subsection (g) of
24 Section 15-60, all due or unpaid property taxes and existing
25 liens for unpaid property taxes imposed or pending under any
26 law or ordinance of this State or any of its political

1 subdivisions shall become null and void.

2 (Source: P.A. 96-1142, eff. 7-21-10.)

3 Section 90. The State Mandates Act is amended by adding
4 Section 8.38 as follows:

5 (30 ILCS 805/8.38 new)

6 Sec. 8.38. Exempt mandate. Notwithstanding Sections 6 and 8
7 of this Act, no reimbursement by the State is required for the
8 implementation of any mandate created by this amendatory Act of
9 the 98th General Assembly.

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