92_HB1265 LRB9203265TAtm

- 1 AN ACT concerning taxes.
- 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 15-172 as follows:
- 6 (35 ILCS 200/15-172)
- 7 Sec. 15-172. Senior Citizens Assessment Freeze Homestead
- 8 Exemption.
- 9 (a) This Section may be cited as the Senior Citizens
- 10 Assessment Freeze Homestead Exemption.
- 11 (b) As used in this Section:
- 12 "Applicant" means an individual who has filed an
- 13 application under this Section.
- 14 "Base amount" means the base year equalized assessed
- value of the residence plus the first year's equalized
- 16 assessed value of any added improvements which increased the
- 17 assessed value of the residence after the base year.
- 18 "Base year" means the taxable year prior to the taxable
- 19 year for which the applicant first qualifies and applies for
- 20 the exemption provided that in the prior taxable year the
- 21 property was improved with a permanent structure that was
- occupied as a residence by the applicant who was liable for
- 23 paying real property taxes on the property and who was either
- (i) an owner of record of the property or had legal or
- 25 equitable interest in the property as evidenced by a written
- 26 instrument or (ii) had a legal or equitable interest as a
- 27 lessee in the parcel of property that was single family
- 28 residence. If in any subsequent taxable year for which the
- 29 applicant applies and qualifies for the exemption the
- 30 equalized assessed value of the residence is less than the
- 31 equalized assessed value in the existing base year (provided

- 1 that such equalized assessed value is not based on an
- 2 assessed value that results from a temporary irregularity in
- 3 the property that reduces the assessed value for one or more
- 4 taxable years), then that subsequent taxable year shall
- 5 become the base year until a new base year is established
- 6 under the terms of this paragraph. For taxable year 1999
- 7 only, the Chief County Assessment Officer shall review (i)
- 8 all taxable years for which the applicant applied and
- 9 qualified for the exemption and (ii) the existing base year.
- 10 The assessment officer shall select as the new base year the
- 11 year with the lowest equalized assessed value. An equalized
- 12 assessed value that is based on an assessed value that
- 13 results from a temporary irregularity in the property that
- 14 reduces the assessed value for one or more taxable years
- shall not be considered the lowest equalized assessed value.
- 16 The selected year shall be the base year for taxable year
- 17 1999 and thereafter until a new base year is established
- 18 under the terms of this paragraph.
- 19 "Chief County Assessment Officer" means the County
- 20 Assessor or Supervisor of Assessments of the county in which
- 21 the property is located.
- 22 "Equalized assessed value" means the assessed value as
- 23 equalized by the Illinois Department of Revenue.
- 24 "Household" means the applicant, the spouse of the
- 25 applicant, and all persons using the residence of the
- 26 applicant as their principal place of residence.
- 27 "Household income" means the combined income of the
- 28 members of a household for the calendar year preceding the
- 29 taxable year.
- 30 "Income" has the same meaning as provided in Section 3.07
- 31 of the Senior Citizens and Disabled Persons Property Tax
- 32 Relief and Pharmaceutical Assistance Act, except that,
- 33 beginning in assessment year 2001, "income" does not include
- 34 veteran's benefits.

1 "Internal Revenue Code of 1986" means the United States

2 Internal Revenue Code of 1986 or any successor law or laws

relating to federal income taxes in effect for the year 3

4 preceding the taxable year.

purposes of this Section.

"Life care facility that qualifies as a cooperative" 5

6 means a facility as defined in Section 2 of the Life Care

7 Facilities Act.

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means the principal dwelling place 8 "Residence" 9 appurtenant structures used for residential purposes in this State occupied on January 1 of the taxable year by a 10 11 household and so much of the surrounding land, constituting the parcel upon which the dwelling place is situated, as is 12 used for residential purposes. If the Chief County Assessment 13 Officer has established a specific legal description for a 14 15 portion of property constituting the residence, then that

"Taxable year" means the calendar year during which ad 18 19 valorem property taxes payable in the next succeeding year are levied.

portion of property shall be deemed the residence for the

(c) Beginning in taxable year 1994, a senior citizens assessment freeze homestead exemption is granted for real property that is improved with a permanent structure that is occupied as a residence by an applicant who (i) is 65 years of age or older during the taxable year, (ii) has a household income of \$35,000 or less prior to taxable year 1999 or \$40,000 or less in taxable year 1999 and thereafter, (iii) is liable for paying real property taxes on the property, and (iv) is an owner of record of the property or has a legal or equitable interest in the property as evidenced by a written instrument. This homestead exemption shall also apply to a leasehold interest in a parcel of property improved with a permanent structure that is a single family residence that is occupied as a residence by a person who (i) is 65 years of

- 1 age or older during the taxable year, (ii) has a household
- 2 income of \$35,000 or less prior to taxable year 1999 or
- 3 \$40,000 or less in taxable year 1999 and thereafter, (iii)
- 4 has a legal or equitable ownership interest in the property
- 5 as lessee, and (iv) is liable for the payment of real
- 6 property taxes on that property.
- 7 The amount of this exemption shall be the equalized
- 8 assessed value of the residence in the taxable year for which
- 9 application is made minus the base amount.
- When the applicant is a surviving spouse of an applicant
- 11 for a prior year for the same residence for which an
- 12 exemption under this Section has been granted, the base year
- 13 and base amount for that residence are the same as for the
- 14 applicant for the prior year.
- 15 Each year at the time the assessment books are certified
- 16 to the County Clerk, the Board of Review or Board of Appeals
- shall give to the County Clerk a list of the assessed values
- 18 of improvements on each parcel qualifying for this exemption
- 19 that were added after the base year for this parcel and that
- increased the assessed value of the property.
- In the case of land improved with an apartment building
- 22 owned and operated as a cooperative or a building that is a
- 23 life care facility that qualifies as a cooperative, the
- 24 maximum reduction from the equalized assessed value of the
- 25 property is limited to the sum of the reductions calculated
- for each unit occupied as a residence by a person or persons
- 27 65 years of age or older with a household income of \$35,000
- or less prior to taxable year 1999 or \$40,000 or less in
- 29 taxable year 1999 and thereafter who is liable, by contract
- 30 with the owner or owners of record, for paying real property
- 31 taxes on the property and who is an owner of record of a
- 32 legal or equitable interest in the cooperative apartment
- 33 building, other than a leasehold interest. In the instance of
- 34 a cooperative where a homestead exemption has been granted

- 1 under this Section, the cooperative association or its
- 2 management firm <u>must</u> shall credit the savings resulting from
- 3 that exemption only to the apportioned tax liability of the
- 4 owner who qualified for the exemption. Any person who
- 5 willfully refuses to credit that savings to an owner who
- 6 qualifies for the exemption is guilty of a Class B
- 7 misdemeanor.
- 8 When a homestead exemption has been granted under this
- 9 Section and an applicant then becomes a resident of a
- 10 facility licensed under the Nursing Home Care Act, the
- 11 exemption <u>must</u> shall be granted in subsequent years so long
- 12 as the residence (i) continues to be occupied by the
- qualified applicant's spouse or (ii) if remaining unoccupied,
- 14 is still owned by the qualified applicant for the homestead
- 15 exemption.
- 16 Beginning January 1, 1997, when an individual dies who
- 17 would have qualified for an exemption under this Section, and
- 18 the surviving spouse does not independently qualify for this
- 19 exemption because of age, the exemption under this Section
- shall be granted to the surviving spouse for the taxable year
- 21 preceding and the taxable year of the death, provided that,
- 22 except for age, the surviving spouse meets all other
- 23 qualifications for the granting of this exemption for those
- 24 years.
- When married persons maintain separate residences, the
- 26 exemption provided for in this Section may be claimed by only
- one of such persons and for only one residence.
- For taxable year 1994 only, in counties having less than
- 3,000,000 inhabitants, to receive the exemption, a person
- 30 <u>must</u> shall submit an application by February 15, 1995 to the
- 31 Chief County Assessment Officer of the county in which the
- 32 property is located. In counties having 3,000,000 or more
- inhabitants, for taxable year 1994 and all subsequent taxable
- 34 years, to receive the exemption, a person may submit an

1 application to the Chief County Assessment Officer of the 2 county in which the property is located during such period as may be specified by the Chief County Assessment Officer. 3 4 Chief County Assessment Officer in counties of 3,000,000 or 5 shall annually give notice of inhabitants the б application period by mail or by publication. In counties less than 3,000,000 inhabitants, beginning with 7 8 taxable year 1995 and thereafter, to receive the exemption, a 9 person <u>must</u> shall submit an application by July 1 taxable year to the Chief County Assessment Officer of the 10 11 county in which the property is located. A county may, by ordinance, establish a date for submission of applications 12 that is different than July 1. The applicant <u>must</u> shall 13 submit with the application an affidavit of the applicant's 14 15 total household income, age, marital status (and if married 16 the name and address of the applicant's spouse, if known), and principal dwelling place of members of the household on 17 1 of the taxable year. The Department shall 18 January 19 establish, by rule, a method for verifying the accuracy of affidavits filed by applicants under this Section. 20 The 21 applications shall be clearly marked as applications for the Senior Citizens Assessment Freeze Homestead Exemption. 22 23

Notwithstanding any other provision to the contrary, in counties having fewer than 3,000,000 inhabitants, if an applicant fails to file the application required by this Section in a timely manner and this failure to file is due to a mental or physical condition sufficiently severe so as to render the applicant incapable of filing the application in a timely manner, the Chief County Assessment Officer may extend the filing deadline for a period of 30 days after the applicant regains the capability to file the application, but in no case may the filing deadline be extended beyond 3 months of the original filing deadline. In order to receive the extension provided in this paragraph, the applicant must

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shall provide the Chief County Assessment Officer with a signed statement from the applicant's physician stating the nature and extent of the condition, that, in the physician's opinion, the condition was so severe that it rendered the applicant incapable of filing the application in a timely manner, and the date on which the applicant regained the capability to file the application.

Beginning January 1, 1998, notwithstanding any other provision to the contrary, in counties having fewer than 3,000,000 inhabitants, if an applicant fails to file application required by this Section in a timely manner and this failure to file is due to a mental or physical condition sufficiently severe so as to render the applicant incapable filing the application in a timely manner, the Chief County Assessment Officer may extend the filing deadline for a period of 3 months. In order to receive the extension provided in this paragraph, the applicant must shall provide the Chief County Assessment Officer with a signed statement from the applicant's physician stating the nature and extent of the condition, and that, in the physician's opinion, the condition was so severe that it rendered the applicant incapable of filing the application in a timely manner.

In counties having less than 3,000,000 inhabitants, if an applicant was denied an exemption in taxable year 1994 and the denial occurred due to an error on the part of an assessment official, or his or her agent or employee, then beginning in taxable year 1997 the applicant's base year, for purposes of determining the amount of the exemption, shall be 1993 rather than 1994. In addition, in taxable year 1997, the applicant's exemption shall also include an amount equal to (i) the amount of any exemption denied to the applicant in taxable year 1995 as a result of using 1994, rather than 1993, as the base year, (ii) the amount of any exemption denied to the applicant in taxable year 1996 as a result of

- 1 using 1994, rather than 1993, as the base year, and (iii) the
- 2 amount of the exemption erroneously denied for taxable year
- 3 1994.
- 4 For purposes of this Section, a person who will be 65
- 5 years of age during the current taxable year shall be
- 6 eligible to apply for the homestead exemption during that
- 7 taxable year. Application shall be made during the
- 8 application period in effect for the county of his or her
- 9 residence.
- 10 The Chief County Assessment Officer may determine the
- 11 eligibility of a life care facility that qualifies as a
- 12 cooperative to receive the benefits provided by this Section
- 13 by use of an affidavit, application, visual inspection,
- 14 questionnaire, or other reasonable method in order to insure
- 15 that the tax savings resulting from the exemption are
- 16 credited by the management firm to the apportioned tax
- 17 liability of each qualifying resident. The Chief County
- 18 Assessment Officer may request reasonable proof that the
- management firm has so credited that exemption.
- 20 Except as provided in this Section, all information
- 21 received by the chief county assessment officer or the
- 22 Department from applications filed under this Section, or
- from any investigation conducted under the provisions of this
- 24 Section, is shall--be confidential, except for official
- 25 purposes or pursuant to official procedures for collection of
- 26 any State or local tax or enforcement of any civil or
- 27 criminal penalty or sanction imposed by this Act or by any
- 28 statute or ordinance imposing a State or local tax. Any
- 29 person who divulges any such information in any manner,
- 30 except in accordance with a proper judicial order, is guilty
- of a Class A misdemeanor.
- Nothing contained in this Section shall prevent the
- 33 Director or chief county assessment officer from publishing
- 34 or making available reasonable statistics concerning the

operation of the exemption contained in this Section in which

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- 2 the contents of claims are grouped into aggregates in such a
- 3 way that information contained in any individual claim shall
- 4 not be disclosed.
- 5 (d) Each Chief County Assessment Officer shall annually
- 6 publish a notice of availability of the exemption provided
- 7 under this Section. The notice shall be published at least
- 8 60 days but no more than 75 days prior to the date on which
- 9 the application must be submitted to the Chief County
- 10 Assessment Officer of the county in which the property is
- 11 located. The notice shall appear in a newspaper of general
- 12 circulation in the county.
- 13 (Source: P.A. 90-14, eff. 7-1-97; 90-204, eff. 7-25-97;
- 14 90-523, eff. 11-13-97; 90-524, eff. 1-1-98; 90-531, eff.
- 15 1-1-98; 90-655, eff. 7-30-98; 91-45, eff. 6-30-99; 91-56,
- 16 eff. 6-30-99; 91-819, eff. 6-13-00.)