

AN ACT concerning revenue.

**Be it enacted by the People of the State of Illinois,  
represented in the General Assembly:**

Section 5. The Department of Revenue Law of the Civil Administrative Code of Illinois is amended by adding Sections 2505-805 as follows:

(20 ILCS 2505/2505-805 new)

Sec. 2505-805. Veterans property tax study. The Department shall conduct a study of the impact of the homestead exemption for veterans with disabilities on the property tax base for St. Clair County, Lake County, Will County, Madison County, Rock Island County, and DuPage County. The study shall be completed no later than June 30, 2023. A report of the Department's findings shall be submitted to the Governor and the General Assembly as soon as possible after the study is complete.

Section 10. The Property Tax Code is amended by changing Sections 9-275, 15-10, 15-168, 15-169, 15-170, 15-172, 15-175, and 18-185 and by adding Section 18-190.7 as follows:

(35 ILCS 200/9-275)

Sec. 9-275. Erroneous homestead exemptions.

(a) For purposes of this Section:

"Erroneous homestead exemption" means a homestead exemption that was granted for real property in a taxable year if the property was not eligible for that exemption in that taxable year. If the taxpayer receives an erroneous homestead exemption under a single Section of this Code for the same property in multiple years, that exemption is considered a single erroneous homestead exemption for purposes of this Section. However, if the taxpayer receives erroneous homestead exemptions under multiple Sections of this Code for the same property, or if the taxpayer receives erroneous homestead exemptions under the same Section of this Code for multiple properties, then each of those exemptions is considered a separate erroneous homestead exemption for purposes of this Section.

"Homestead exemption" means an exemption under Section 15-165 (veterans with disabilities), 15-167 (returning veterans), 15-168 (persons with disabilities), 15-169 (standard homestead for veterans with disabilities), 15-170 (senior citizens), 15-172 (low-income senior citizens assessment freeze), 15-175 (general homestead), 15-176 (alternative general homestead), or 15-177 (long-time occupant).

"Erroneous exemption principal amount" means the total difference between the property taxes actually billed to a property index number and the amount of property taxes that

would have been billed but for the erroneous exemption or exemptions.

"Taxpayer" means the property owner or leasehold owner that erroneously received a homestead exemption upon property.

(b) Notwithstanding any other provision of law, in counties with 3,000,000 or more inhabitants, the chief county assessment officer shall include the following information with each assessment notice sent in a general assessment year:

(1) a list of each homestead exemption available under Article 15 of this Code and a description of the eligibility criteria for that exemption, including the number of assessment years of automatic renewal remaining on a current senior citizens homestead exemption if such an exemption has been applied to the property; (2) a list of each homestead exemption applied to the property in the current assessment year; (3) information regarding penalties and interest that may be incurred under this Section if the taxpayer received an erroneous homestead exemption in a previous taxable year; and (4) notice of the 60-day grace period available under this subsection. If, within 60 days after receiving his or her assessment notice, the taxpayer notifies the chief county assessment officer that he or she received an erroneous homestead exemption in a previous taxable year, and if the taxpayer pays the erroneous exemption principal amount, plus interest as provided in subsection (f), then the taxpayer shall not be liable for the penalties provided in subsection

(f) with respect to that exemption.

(c) In counties with 3,000,000 or more inhabitants, when the chief county assessment officer determines that one or more erroneous homestead exemptions was applied to the property, the erroneous exemption principal amount, together with all applicable interest and penalties as provided in subsections (f) and (j), shall constitute a lien in the name of the People of Cook County on the property receiving the erroneous homestead exemption. Upon becoming aware of the existence of one or more erroneous homestead exemptions, the chief county assessment officer shall cause to be served, by both regular mail and certified mail, a notice of discovery as set forth in subsection (c-5). The chief county assessment officer in a county with 3,000,000 or more inhabitants may cause a lien to be recorded against property that (1) is located in the county and (2) received one or more erroneous homestead exemptions if, upon determination of the chief county assessment officer, the taxpayer received: (A) one or 2 erroneous homestead exemptions for real property, including at least one erroneous homestead exemption granted for the property against which the lien is sought, during any of the 3 collection years immediately prior to the current collection year in which the notice of discovery is served; or (B) 3 or more erroneous homestead exemptions for real property, including at least one erroneous homestead exemption granted for the property against which the lien is sought, during any

of the 6 collection years immediately prior to the current collection year in which the notice of discovery is served. Prior to recording the lien against the property, the chief county assessment officer shall cause to be served, by both regular mail and certified mail, return receipt requested, on the person to whom the most recent tax bill was mailed and the owner of record, a notice of intent to record a lien against the property. The chief county assessment officer shall cause the notice of intent to record a lien to be served within 3 years from the date on which the notice of discovery was served.

(c-5) The notice of discovery described in subsection (c) shall: (1) identify, by property index number, the property for which the chief county assessment officer has knowledge indicating the existence of an erroneous homestead exemption; (2) set forth the taxpayer's liability for principal, interest, penalties, and administrative costs including, but not limited to, recording fees described in subsection (f); (3) inform the taxpayer that he or she will be served with a notice of intent to record a lien within 3 years from the date of service of the notice of discovery; (4) inform the taxpayer that he or she may pay the outstanding amount, plus interest, penalties, and administrative costs at any time prior to being served with the notice of intent to record a lien or within 30 days after the notice of intent to record a lien is served; and (5) inform the taxpayer that, if the taxpayer provided notice

to the chief county assessment officer as provided in subsection (d-1) of Section 15-175 of this Code, upon submission by the taxpayer of evidence of timely notice and receipt thereof by the chief county assessment officer, the chief county assessment officer will withdraw the notice of discovery and reissue a notice of discovery in compliance with this Section in which the taxpayer is not liable for interest and penalties for the current tax year in which the notice was received.

For the purposes of this subsection (c-5):

"Collection year" means the year in which the first and second installment of the current tax year is billed.

"Current tax year" means the year prior to the collection year.

(d) The notice of intent to record a lien described in subsection (c) shall: (1) identify, by property index number, the property against which the lien is being sought; (2) identify each specific homestead exemption that was erroneously granted and the year or years in which each exemption was granted; (3) set forth the erroneous exemption principal amount due and the interest amount and any penalty and administrative costs due; (4) inform the taxpayer that he or she may request a hearing within 30 days after service and may appeal the hearing officer's ruling to the circuit court; (5) inform the taxpayer that he or she may pay the erroneous exemption principal amount, plus interest and penalties,

within 30 days after service; and (6) inform the taxpayer that, if the lien is recorded against the property, the amount of the lien will be adjusted to include the applicable recording fee and that fees for recording a release of the lien shall be incurred by the taxpayer. A lien shall not be filed pursuant to this Section if the taxpayer pays the erroneous exemption principal amount, plus penalties and interest, within 30 days of service of the notice of intent to record a lien.

(e) The notice of intent to record a lien shall also include a form that the taxpayer may return to the chief county assessment officer to request a hearing. The taxpayer may request a hearing by returning the form within 30 days after service. The hearing shall be held within 90 days after the taxpayer is served. The chief county assessment officer shall promulgate rules of service and procedure for the hearing. The chief county assessment officer must generally follow rules of evidence and practices that prevail in the county circuit courts, but, because of the nature of these proceedings, the chief county assessment officer is not bound by those rules in all particulars. The chief county assessment officer shall appoint a hearing officer to oversee the hearing. The taxpayer shall be allowed to present evidence to the hearing officer at the hearing. After taking into consideration all the relevant testimony and evidence, the hearing officer shall make an administrative decision on whether the taxpayer was

erroneously granted a homestead exemption for the taxable year in question. The taxpayer may appeal the hearing officer's ruling to the circuit court of the county where the property is located as a final administrative decision under the Administrative Review Law.

(f) A lien against the property imposed under this Section shall be filed with the county recorder of deeds, but may not be filed sooner than 60 days after the notice of intent to record a lien was delivered to the taxpayer if the taxpayer does not request a hearing, or until the conclusion of the hearing and all appeals if the taxpayer does request a hearing. If a lien is filed pursuant to this Section and the taxpayer received one or 2 erroneous homestead exemptions during any of the 3 collection years immediately prior to the current collection year in which the notice of discovery is served, then the erroneous exemption principal amount, plus 10% interest per annum or portion thereof from the date the erroneous exemption principal amount would have become due if properly included in the tax bill, shall be charged against the property by the chief county assessment officer. However, if a lien is filed pursuant to this Section and the taxpayer received 3 or more erroneous homestead exemptions during any of the 6 collection years immediately prior to the current collection year in which the notice of discovery is served, the erroneous exemption principal amount, plus a penalty of 50% of the total amount of the erroneous exemption principal

amount for that property and 10% interest per annum or portion thereof from the date the erroneous exemption principal amount would have become due if properly included in the tax bill, shall be charged against the property by the chief county assessment officer. If a lien is filed pursuant to this Section, the taxpayer shall not be liable for interest that accrues between the date the notice of discovery is served and the date the lien is filed. Before recording the lien with the county recorder of deeds, the chief county assessment officer shall adjust the amount of the lien to add administrative costs, including but not limited to the applicable recording fee, to the total lien amount.

(g) If a person received an erroneous homestead exemption under Section 15-170 and: (1) the person was the spouse, child, grandchild, brother, sister, niece, or nephew of the previous taxpayer; and (2) the person received the property by bequest or inheritance; then the person is not liable for the penalties imposed under this Section for any year or years during which the chief county assessment officer did not require an annual application for the exemption or, in a county with 3,000,000 or more inhabitants, an application for renewal of a multi-year exemption pursuant to subsection (i) of Section 15-170, as the case may be. However, that person is responsible for any interest owed under subsection (f).

(h) If the erroneous homestead exemption was granted as a result of a clerical error or omission on the part of the chief

county assessment officer, and if the taxpayer has paid the tax bills as received for the year in which the error occurred, then the interest and penalties authorized by this Section with respect to that homestead exemption shall not be chargeable to the taxpayer. However, nothing in this Section shall prevent the collection of the erroneous exemption principal amount due and owing.

(i) A lien under this Section is not valid as to (1) any bona fide purchaser for value without notice of the erroneous homestead exemption whose rights in and to the underlying parcel arose after the erroneous homestead exemption was granted but before the filing of the notice of lien; or (2) any mortgagee, judgment creditor, or other lienor whose rights in and to the underlying parcel arose before the filing of the notice of lien. A title insurance policy for the property that is issued by a title company licensed to do business in the State showing that the property is free and clear of any liens imposed under this Section shall be prima facie evidence that the taxpayer is without notice of the erroneous homestead exemption. Nothing in this Section shall be deemed to impair the rights of subsequent creditors and subsequent purchasers under Section 30 of the Conveyances Act.

(j) When a lien is filed against the property pursuant to this Section, the chief county assessment officer shall mail a copy of the lien to the person to whom the most recent tax bill was mailed and to the owner of record, and the outstanding

liability created by such a lien is due and payable within 30 days after the mailing of the lien by the chief county assessment officer. This liability is deemed delinquent and shall bear interest beginning on the day after the due date at a rate of 1.5% per month or portion thereof. Payment shall be made to the county treasurer. Upon receipt of the full amount due, as determined by the chief county assessment officer, the county treasurer shall distribute the amount paid as provided in subsection (k). Upon presentment by the taxpayer to the chief county assessment officer of proof of payment of the total liability, the chief county assessment officer shall provide in reasonable form a release of the lien. The release of the lien provided shall clearly inform the taxpayer that it is the responsibility of the taxpayer to record the lien release form with the county recorder of deeds and to pay any applicable recording fees.

(k) The county treasurer shall pay collected erroneous exemption principal amounts, pro rata, to the taxing districts, or their legal successors, that levied upon the subject property in the taxable year or years for which the erroneous homestead exemptions were granted, except as set forth in this Section. The county treasurer shall deposit collected penalties and interest into a special fund established by the county treasurer to offset the costs of administration of the provisions of this Section by the chief county assessment officer's office, as appropriated by the

county board. If the costs of administration of this Section exceed the amount of interest and penalties collected in the special fund, the chief county assessor shall be reimbursed by each taxing district or their legal successors for those costs. Such costs shall be paid out of the funds collected by the county treasurer on behalf of each taxing district pursuant to this Section.

(1) The chief county assessment officer in a county with 3,000,000 or more inhabitants shall establish an amnesty period for all taxpayers owing any tax due to an erroneous homestead exemption granted in a tax year prior to the 2013 tax year. The amnesty period shall begin on the effective date of this amendatory Act of the 98th General Assembly and shall run through December 31, 2013. If, during the amnesty period, the taxpayer pays the entire arrearage of taxes due for tax years prior to 2013, the county clerk shall abate and not seek to collect any interest or penalties that may be applicable and shall not seek civil or criminal prosecution for any taxpayer for tax years prior to 2013. Failure to pay all such taxes due during the amnesty period established under this Section shall invalidate the amnesty period for that taxpayer.

The chief county assessment officer in a county with 3,000,000 or more inhabitants shall (i) mail notice of the amnesty period with the tax bills for the second installment of taxes for the 2012 assessment year and (ii) as soon as possible after the effective date of this amendatory Act of

the 98th General Assembly, publish notice of the amnesty period in a newspaper of general circulation in the county. Notices shall include information on the amnesty period, its purpose, and the method by which to make payment.

Taxpayers who are a party to any criminal investigation or to any civil or criminal litigation that is pending in any circuit court or appellate court, or in the Supreme Court of this State, for nonpayment, delinquency, or fraud in relation to any property tax imposed by any taxing district located in the State on the effective date of this amendatory Act of the 98th General Assembly may not take advantage of the amnesty period.

A taxpayer who has claimed 3 or more homestead exemptions in error shall not be eligible for the amnesty period established under this subsection.

(m) Notwithstanding any other provision of law, for taxable years 2019 through 2023, in counties with 3,000,000 or more inhabitants, the chief county assessment officer shall, if he or she learns that a taxpayer who has been granted a senior citizens homestead exemption has died during the period to which the exemption applies, send a notice to the address on record for the owner of record of the property notifying the owner that the exemption will be terminated unless, within 90 days after the notice is sent, the chief county assessment officer is provided with a basis to continue the exemption. The notice shall be sent by first-class mail, in an envelope

that bears on its front, in boldface red lettering that is at least one inch in size, the words "Notice of Exemption Termination"; however, if the taxpayer elects to receive the notice by email and provides an email address, then the notice shall be sent by email.

(Source: P.A. 101-453, eff. 8-23-19; 101-622, eff. 1-14-20.)

(35 ILCS 200/15-10)

Sec. 15-10. Exempt property; procedures for certification.

(a) All property granted an exemption by the Department pursuant to the requirements of Section 15-5 and described in the Sections following Section 15-30 and preceding Section 16-5, to the extent therein limited, is exempt from taxation. In order to maintain that exempt status, the titleholder or the owner of the beneficial interest of any property that is exempt must file with the chief county assessment officer, on or before January 31 of each year (May 31 in the case of property exempted by Section 15-170), an affidavit stating whether there has been any change in the ownership or use of the property, the status of the owner-resident, the satisfaction by a relevant hospital entity of the condition for an exemption under Section 15-86, or that a veteran with a disability who qualifies under Section 15-165 owned and used the property as of January 1 of that year. The nature of any change shall be stated in the affidavit. Failure to file an affidavit shall, in the discretion of the assessment officer,

constitute cause to terminate the exemption of that property, notwithstanding any other provision of this Code. Owners of 5 or more such exempt parcels within a county may file a single annual affidavit in lieu of an affidavit for each parcel. The assessment officer, upon request, shall furnish an affidavit form to the owners, in which the owner may state whether there has been any change in the ownership or use of the property or status of the owner or resident as of January 1 of that year. The owner of 5 or more exempt parcels shall list all the properties giving the same information for each parcel as required of owners who file individual affidavits.

(b) However, titleholders or owners of the beneficial interest in any property exempted under any of the following provisions are not required to submit an annual filing under this Section:

(1) Section 15-45 (burial grounds) in counties of less than 3,000,000 inhabitants and owned by a not-for-profit organization.

(2) Section 15-40.

(3) Section 15-50 (United States property).

(c) If there is a change in use or ownership, however, notice must be filed pursuant to Section 15-20.

(d) An application for homestead exemptions shall be filed as provided in Section 15-170 (senior citizens homestead exemption), Section 15-172 (low-income senior citizens assessment freeze homestead exemption), and Sections 15-175

(general homestead exemption), 15-176 (general alternative homestead exemption), and 15-177 (long-time occupant homestead exemption), respectively.

(e) For purposes of determining satisfaction of the condition for an exemption under Section 15-86:

(1) The "year for which exemption is sought" is the year prior to the year in which the affidavit is due.

(2) The "hospital year" is the fiscal year of the relevant hospital entity, or the fiscal year of one of the hospitals in the hospital system if the relevant hospital entity is a hospital system with members with different fiscal years, that ends in the year prior to the year in which the affidavit is due. However, if that fiscal year ends 3 months or less before the date on which the affidavit is due, the relevant hospital entity shall file an interim affidavit based on the currently available information, and shall file a supplemental affidavit within 90 days of date on which the application was due, if the information in the relevant hospital entity's audited financial statements changes the interim affidavit's statement concerning the entity's compliance with the calculation required by Section 15-86.

(3) The affidavit shall be accompanied by an exhibit prepared by the relevant hospital entity showing (A) the value of the relevant hospital entity's services and activities, if any, under items (1) through (7) of

subsection (e) of Section 15-86, stated separately for each item, and (B) the value relating to the relevant hospital entity's estimated property tax liability under paragraphs (A), (B), and (C) of item (1) of subsection (g) of Section 15-86; under paragraphs (A), (B), and (C) of item (2) of subsection (g) of Section 15-86; and under item (3) of subsection (g) of Section 15-86.

(Source: P.A. 99-143, eff. 7-27-15.)

(35 ILCS 200/15-168)

Sec. 15-168. Homestead exemption for persons with disabilities.

(a) Beginning with taxable year 2007, an annual homestead exemption is granted to persons with disabilities in the amount of \$2,000, except as provided in subsection (c), to be deducted from the property's value as equalized or assessed by the Department of Revenue. The person with a disability shall receive the homestead exemption upon meeting the following requirements:

(1) The property must be occupied as the primary residence by the person with a disability.

(2) The person with a disability must be liable for paying the real estate taxes on the property.

(3) The person with a disability must be an owner of record of the property or have a legal or equitable interest in the property as evidenced by a written

instrument. In the case of a leasehold interest in property, the lease must be for a single family residence.

A person who has a disability during the taxable year is eligible to apply for this homestead exemption during that taxable year. Application must be made during the application period in effect for the county of residence. If a homestead exemption has been granted under this Section and the person awarded the exemption subsequently becomes a resident of a facility licensed under the Nursing Home Care Act, the Specialized Mental Health Rehabilitation Act of 2013, the ID/DD Community Care Act, or the MC/DD Act, then the exemption shall continue (i) so long as the residence continues to be occupied by the qualifying person's spouse or (ii) if the residence remains unoccupied but is still owned by the person qualified for the homestead exemption.

(b) For the purposes of this Section, "person with a disability" means a person unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment which can be expected to result in death or has lasted or can be expected to last for a continuous period of not less than 12 months. Persons with disabilities filing claims under this Act shall submit proof of disability in such form and manner as the Department shall by rule and regulation prescribe. Proof that a claimant is eligible to receive disability benefits under the Federal Social Security Act shall constitute proof of disability for

purposes of this Act. Issuance of an Illinois Person with a Disability Identification Card stating that the claimant is under a Class 2 disability, as defined in Section 4A of the Illinois Identification Card Act, shall constitute proof that the person named thereon is a person with a disability for purposes of this Act. A person with a disability not covered under the Federal Social Security Act and not presenting an Illinois Person with a Disability Identification Card stating that the claimant is under a Class 2 disability shall be examined by a physician, optometrist (if the person qualifies because of a visual disability), advanced practice registered nurse, or physician assistant designated by the Department, and his status as a person with a disability determined using the same standards as used by the Social Security Administration. The costs of any required examination shall be borne by the claimant.

(c) For land improved with (i) an apartment building owned and operated as a cooperative or (ii) a life care facility as defined under Section 2 of the Life Care Facilities Act that is considered to be a cooperative, the maximum reduction from the value of the property, as equalized or assessed by the Department, shall be multiplied by the number of apartments or units occupied by a person with a disability. The person with a disability shall receive the homestead exemption upon meeting the following requirements:

(1) The property must be occupied as the primary

residence by the person with a disability.

(2) The person with a disability must be liable by contract with the owner or owners of record for paying the apportioned property taxes on the property of the cooperative or life care facility. In the case of a life care facility, the person with a disability must be liable for paying the apportioned property taxes under a life care contract as defined in Section 2 of the Life Care Facilities Act.

(3) The person with a disability must be an owner of record of a legal or equitable interest in the cooperative apartment building. A leasehold interest does not meet this requirement.

If a homestead exemption is granted under this subsection, the cooperative association or management firm shall credit the savings resulting from the exemption to the apportioned tax liability of the qualifying person with a disability. The chief county assessment officer may request reasonable proof that the association or firm has properly credited the exemption. A person who willfully refuses to credit an exemption to the qualified person with a disability is guilty of a Class B misdemeanor.

(d) The chief county assessment officer shall determine the eligibility of property to receive the homestead exemption according to guidelines established by the Department. After a person has received an exemption under this Section, an annual

verification of eligibility for the exemption shall be mailed to the taxpayer.

In counties with fewer than 3,000,000 inhabitants, the chief county assessment officer shall provide to each person granted a homestead exemption under this Section a form to designate any other person to receive a duplicate of any notice of delinquency in the payment of taxes assessed and levied under this Code on the person's qualifying property. The duplicate notice shall be in addition to the notice required to be provided to the person receiving the exemption and shall be given in the manner required by this Code. The person filing the request for the duplicate notice shall pay an administrative fee of \$5 to the chief county assessment officer. The assessment officer shall then file the executed designation with the county collector, who shall issue the duplicate notices as indicated by the designation. A designation may be rescinded by the person with a disability in the manner required by the chief county assessment officer.

(d-5) Notwithstanding any other provision of law, each chief county assessment officer may approve this exemption for the 2020 taxable year, without application, for any property that was approved for this exemption for the 2019 taxable year, provided that:

- (1) the county board has declared a local disaster as provided in the Illinois Emergency Management Agency Act related to the COVID-19 public health emergency;

(2) the owner of record of the property as of January 1, 2020 is the same as the owner of record of the property as of January 1, 2019;

(3) the exemption for the 2019 taxable year has not been determined to be an erroneous exemption as defined by this Code; and

(4) the applicant for the 2019 taxable year has not asked for the exemption to be removed for the 2019 or 2020 taxable years.

(d-10) Notwithstanding any other provision of law, each chief county assessment officer may approve this exemption for the 2021 taxable year, without application, for any property that was approved for this exemption for the 2020 taxable year, if:

(1) the county board has declared a local disaster as provided in the Illinois Emergency Management Agency Act related to the COVID-19 public health emergency;

(2) the owner of record of the property as of January 1, 2021 is the same as the owner of record of the property as of January 1, 2020;

(3) the exemption for the 2020 taxable year has not been determined to be an erroneous exemption as defined by this Code; and

(4) the taxpayer for the 2020 taxable year has not asked for the exemption to be removed for the 2020 or 2021 taxable years.

(d-15) For taxable years 2022 through 2027, in any county of more than 3,000,000 residents, and in any other county where the county board has authorized such action by ordinance or resolution, a chief county assessment officer may renew this exemption for any person who applied for the exemption and presented proof of eligibility, as described in subsection (b) above, without an annual application as required under subsection (d) above. A chief county assessment officer shall not automatically renew an exemption under this subsection if: the physician, advanced practice registered nurse, optometrist, or physician assistant who examined the claimant determined that the disability is not expected to continue for 12 months or more; the exemption has been deemed erroneous since the last application; or the claimant has reported their ineligibility to receive the exemption. A chief county assessment officer who automatically renews an exemption under this subsection shall notify a person of a subsequent determination not to automatically renew that person's exemption and shall provide that person with an application to renew the exemption.

(e) A taxpayer who claims an exemption under Section 15-165 or 15-169 may not claim an exemption under this Section.

(Source: P.A. 101-635, eff. 6-5-20; 102-136, eff. 7-23-21.)

Sec. 15-169. Homestead exemption for veterans with disabilities.

(a) Beginning with taxable year 2007, an annual homestead exemption, limited to the amounts set forth in subsections (b) and (b-3), is granted for property that is used as a qualified residence by a veteran with a disability.

(b) For taxable years prior to 2015, the amount of the exemption under this Section is as follows:

(1) for veterans with a service-connected disability of at least (i) 75% for exemptions granted in taxable years 2007 through 2009 and (ii) 70% for exemptions granted in taxable year 2010 and each taxable year thereafter, as certified by the United States Department of Veterans Affairs, the annual exemption is \$5,000; and

(2) for veterans with a service-connected disability of at least 50%, but less than (i) 75% for exemptions granted in taxable years 2007 through 2009 and (ii) 70% for exemptions granted in taxable year 2010 and each taxable year thereafter, as certified by the United States Department of Veterans Affairs, the annual exemption is \$2,500.

(b-3) For taxable years 2015 and thereafter:

(1) if the veteran has a service connected disability of 30% or more but less than 50%, as certified by the United States Department of Veterans Affairs, then the annual exemption is \$2,500;

(2) if the veteran has a service connected disability of 50% or more but less than 70%, as certified by the United States Department of Veterans Affairs, then the annual exemption is \$5,000; ~~and~~

(3) if the veteran has a service connected disability of 70% or more, as certified by the United States Department of Veterans Affairs, then the property is exempt from taxation under this Code; and ~~-~~

(4) for taxable year 2023 and thereafter, if the taxpayer is the surviving spouse of a veteran whose death was determined to be service-connected and who is certified by the United States Department of Veterans Affairs as a recipient of dependency and indemnity compensation under federal law, then the property is also exempt from taxation under this Code.

(b-5) If a homestead exemption is granted under this Section and the person awarded the exemption subsequently becomes a resident of a facility licensed under the Nursing Home Care Act or a facility operated by the United States Department of Veterans Affairs, then the exemption shall continue (i) so long as the residence continues to be occupied by the qualifying person's spouse or (ii) if the residence remains unoccupied but is still owned by the person who qualified for the homestead exemption.

(c) The tax exemption under this Section carries over to the benefit of the veteran's surviving spouse as long as the

spouse holds the legal or beneficial title to the homestead, permanently resides thereon, and does not remarry. If the surviving spouse sells the property, an exemption not to exceed the amount granted from the most recent ad valorem tax roll may be transferred to his or her new residence as long as it is used as his or her primary residence and he or she does not remarry.

As used in this subsection (c):

(1) for taxable years prior to 2015, "surviving spouse" means the surviving spouse of a veteran who obtained an exemption under this Section prior to his or her death;

(2) for taxable years 2015 through 2022, "surviving spouse" means (i) the surviving spouse of a veteran who obtained an exemption under this Section prior to his or her death and (ii) the surviving spouse of a veteran who was killed in the line of duty at any time prior to the expiration of the application period in effect for the exemption for the taxable year for which the exemption is sought; and

(3) for taxable year 2023 and thereafter, "surviving spouse" means: (i) the surviving spouse of a veteran who obtained the exemption under this Section prior to his or her death; (ii) the surviving spouse of a veteran who was killed in the line of duty at any time prior to the expiration of the application period in effect for the

exemption for the taxable year for which the exemption is sought; (iii) the surviving spouse of a veteran who did not obtain an exemption under this Section before death, but who would have qualified for the exemption under this Section in the taxable year for which the exemption is sought if he or she had survived, and whose surviving spouse has been a resident of Illinois from the time of the veteran's death through the taxable year for which the exemption is sought; and (iv) the surviving spouse of a veteran whose death was determined to be service-connected, but who would not otherwise qualify under items (i), (ii), or (iii), if the spouse (A) is certified by the United States Department of Veterans Affairs as a recipient of dependency and indemnity compensation under federal law at any time prior to the expiration of the application period in effect for the exemption for the taxable year for which the exemption is sought and (B) remains eligible for that dependency and indemnity compensation as of January 1 of the taxable year for which the exemption is sought.

(c-1) Beginning with taxable year 2015, nothing in this Section shall require the veteran to have qualified for or obtained the exemption before death if the veteran was killed in the line of duty.

(d) The exemption under this Section applies for taxable year 2007 and thereafter. A taxpayer who claims an exemption

under Section 15-165 or 15-168 may not claim an exemption under this Section.

(e) Except as otherwise provided in this subsection (e), each ~~Each~~ taxpayer who has been granted an exemption under this Section must reapply on an annual basis. Application must be made during the application period in effect for the county of his or her residence. The assessor or chief county assessment officer may determine the eligibility of residential property to receive the homestead exemption provided by this Section by application, visual inspection, questionnaire, or other reasonable methods. The determination must be made in accordance with guidelines established by the Department.

On and after the effective date of this amendatory Act of the 102nd General Assembly, if a veteran has a combined service connected disability rating of 100% and is deemed to be permanently and totally disabled, as certified by the United States Department of Veterans Affairs, the taxpayer who has been granted an exemption under this Section shall no longer be required to reapply for the exemption on an annual basis, and the exemption shall be in effect for as long as the exemption would otherwise be permitted under this Section.

(e-1) If the person qualifying for the exemption does not occupy the qualified residence as of January 1 of the taxable year, the exemption granted under this Section shall be prorated on a monthly basis. The prorated exemption shall

apply beginning with the first complete month in which the person occupies the qualified residence.

(e-5) Notwithstanding any other provision of law, each chief county assessment officer may approve this exemption for the 2020 taxable year, without application, for any property that was approved for this exemption for the 2019 taxable year, provided that:

(1) the county board has declared a local disaster as provided in the Illinois Emergency Management Agency Act related to the COVID-19 public health emergency;

(2) the owner of record of the property as of January 1, 2020 is the same as the owner of record of the property as of January 1, 2019;

(3) the exemption for the 2019 taxable year has not been determined to be an erroneous exemption as defined by this Code; and

(4) the applicant for the 2019 taxable year has not asked for the exemption to be removed for the 2019 or 2020 taxable years.

Nothing in this subsection shall preclude a veteran whose service connected disability rating has changed since the 2019 exemption was granted from applying for the exemption based on the subsequent service connected disability rating.

(e-10) Notwithstanding any other provision of law, each chief county assessment officer may approve this exemption for the 2021 taxable year, without application, for any property

that was approved for this exemption for the 2020 taxable year, if:

(1) the county board has declared a local disaster as provided in the Illinois Emergency Management Agency Act related to the COVID-19 public health emergency;

(2) the owner of record of the property as of January 1, 2021 is the same as the owner of record of the property as of January 1, 2020;

(3) the exemption for the 2020 taxable year has not been determined to be an erroneous exemption as defined by this Code; and

(4) the taxpayer for the 2020 taxable year has not asked for the exemption to be removed for the 2020 or 2021 taxable years.

Nothing in this subsection shall preclude a veteran whose service connected disability rating has changed since the 2020 exemption was granted from applying for the exemption based on the subsequent service connected disability rating.

(f) For the purposes of this Section:

"Qualified residence" means real property, but less any portion of that property that is used for commercial purposes, with an equalized assessed value of less than \$250,000 that is the primary residence of a veteran with a disability. Property rented for more than 6 months is presumed to be used for commercial purposes.

"Veteran" means an Illinois resident who has served as a

member of the United States Armed Forces on active duty or State active duty, a member of the Illinois National Guard, or a member of the United States Reserve Forces and who has received an honorable discharge.

(Source: P.A. 101-635, eff. 6-5-20; 102-136, eff. 7-23-21.)

(35 ILCS 200/15-170)

Sec. 15-170. Senior citizens homestead exemption.

(a) An annual homestead exemption limited, except as described here with relation to cooperatives or life care facilities, to a maximum reduction set forth below from the property's value, as equalized or assessed by the Department, is granted for property that is occupied as a residence by a person 65 years of age or older who is liable for paying real estate taxes on the property and is an owner of record of the property or has a legal or equitable interest therein as evidenced by a written instrument, except for a leasehold interest, other than a leasehold interest of land on which a single family residence is located, which is occupied as a residence by a person 65 years or older who has an ownership interest therein, legal, equitable or as a lessee, and on which he or she is liable for the payment of property taxes. Before taxable year 2004, the maximum reduction shall be \$2,500 in counties with 3,000,000 or more inhabitants and \$2,000 in all other counties. For taxable years 2004 through 2005, the maximum reduction shall be \$3,000 in all counties.

For taxable years 2006 and 2007, the maximum reduction shall be \$3,500. For taxable years 2008 through 2011, the maximum reduction is \$4,000 in all counties. For taxable year 2012, the maximum reduction is \$5,000 in counties with 3,000,000 or more inhabitants and \$4,000 in all other counties. For taxable years 2013 through 2016, the maximum reduction is \$5,000 in all counties. For taxable years 2017 through 2022 ~~and thereafter~~, the maximum reduction is \$8,000 in counties with 3,000,000 or more inhabitants and \$5,000 in all other counties. For taxable years 2023 and thereafter, the maximum reduction is \$8,000 in counties with 3,000,000 or more inhabitants and counties that are contiguous to a county of 3,000,000 or more inhabitants and \$5,000 in all other counties.

(b) For land improved with an apartment building owned and operated as a cooperative, the maximum reduction from the value of the property, as equalized by the Department, shall be multiplied by the number of apartments or units occupied by a person 65 years of age or older who is liable, by contract with the owner or owners of record, for paying property taxes on the property and is an owner of record of a legal or equitable interest in the cooperative apartment building, other than a leasehold interest. For land improved with a life care facility, the maximum reduction from the value of the property, as equalized by the Department, shall be multiplied by the number of apartments or units occupied by persons 65

years of age or older, irrespective of any legal, equitable, or leasehold interest in the facility, who are liable, under a contract with the owner or owners of record of the facility, for paying property taxes on the property. In a cooperative or a life care facility where a homestead exemption has been granted, the cooperative association or the management firm of the cooperative or facility shall credit the savings resulting from that exemption only to the apportioned tax liability of the owner or resident who qualified for the exemption. Any person who willfully refuses to so credit the savings shall be guilty of a Class B misdemeanor. Under this Section and Sections 15-175, 15-176, and 15-177, "life care facility" means a facility, as defined in Section 2 of the Life Care Facilities Act, with which the applicant for the homestead exemption has a life care contract as defined in that Act.

(c) When a homestead exemption has been granted under this Section and the person qualifying subsequently becomes a resident of a facility licensed under the Assisted Living and Shared Housing Act, the Nursing Home Care Act, the Specialized Mental Health Rehabilitation Act of 2013, the ID/DD Community Care Act, or the MC/DD Act, the exemption shall continue so long as the residence continues to be occupied by the qualifying person's spouse if the spouse is 65 years of age or older, or if the residence remains unoccupied but is still owned by the person qualified for the homestead exemption.

(d) A person who will be 65 years of age during the current

assessment year shall be eligible to apply for the homestead exemption during that assessment year. Application shall be made during the application period in effect for the county of his residence.

(e) Beginning with assessment year 2003, for taxes payable in 2004, property that is first occupied as a residence after January 1 of any assessment year by a person who is eligible for the senior citizens homestead exemption under this Section must be granted a pro-rata exemption for the assessment year. The amount of the pro-rata exemption is the exemption allowed in the county under this Section divided by 365 and multiplied by the number of days during the assessment year the property is occupied as a residence by a person eligible for the exemption under this Section. The chief county assessment officer must adopt reasonable procedures to establish eligibility for this pro-rata exemption.

(f) The assessor or chief county assessment officer may determine the eligibility of a life care facility to receive the benefits provided by this Section, by affidavit, application, visual inspection, questionnaire or other reasonable methods in order to insure that the tax savings resulting from the exemption are credited by the management firm to the apportioned tax liability of each qualifying resident. The assessor may request reasonable proof that the management firm has so credited the exemption.

(g) The chief county assessment officer of each county

with less than 3,000,000 inhabitants shall provide to each person allowed a homestead exemption under this Section a form to designate any other person to receive a duplicate of any notice of delinquency in the payment of taxes assessed and levied under this Code on the property of the person receiving the exemption. The duplicate notice shall be in addition to the notice required to be provided to the person receiving the exemption, and shall be given in the manner required by this Code. The person filing the request for the duplicate notice shall pay a fee of \$5 to cover administrative costs to the supervisor of assessments, who shall then file the executed designation with the county collector. Notwithstanding any other provision of this Code to the contrary, the filing of such an executed designation requires the county collector to provide duplicate notices as indicated by the designation. A designation may be rescinded by the person who executed such designation at any time, in the manner and form required by the chief county assessment officer.

(h) The assessor or chief county assessment officer may determine the eligibility of residential property to receive the homestead exemption provided by this Section by application, visual inspection, questionnaire or other reasonable methods. The determination shall be made in accordance with guidelines established by the Department.

(i) In counties with 3,000,000 or more inhabitants, for taxable years 2010 through 2018, and beginning again in

taxable year 2024, each taxpayer who has been granted an exemption under this Section must reapply on an annual basis.

If a reapplication is required, then the chief county assessment officer shall mail the application to the taxpayer at least 60 days prior to the last day of the application period for the county.

For taxable years 2019 through 2023, in counties with 3,000,000 or more inhabitants, a taxpayer who has been granted an exemption under this Section need not reapply. However, if the property ceases to be qualified for the exemption under this Section in any year for which a reapplication is not required under this Section, then the owner of record of the property shall notify the chief county assessment officer that the property is no longer qualified. In addition, for taxable years 2019 through 2023, the chief county assessment officer of a county with 3,000,000 or more inhabitants shall enter into an intergovernmental agreement with the county clerk of that county and the Department of Public Health, as well as any other appropriate governmental agency, to obtain information that documents the death of a taxpayer who has been granted an exemption under this Section. Notwithstanding any other provision of law, the county clerk and the Department of Public Health shall provide that information to the chief county assessment officer. The Department of Public Health shall supply this information no less frequently than every calendar quarter. Information concerning the death of a

taxpayer may be shared with the county treasurer. The chief county assessment officer shall also enter into a data exchange agreement with the Social Security Administration or its agent to obtain access to the information regarding deaths in possession of the Social Security Administration. The chief county assessment officer shall, subject to the notice requirements under subsection (m) of Section 9-275, terminate the exemption under this Section if the information obtained indicates that the property is no longer qualified for the exemption. In counties with 3,000,000 or more inhabitants, the assessor and the county recorder of deeds shall establish policies and practices for the regular exchange of information for the purpose of alerting the assessor whenever the transfer of ownership of any property receiving an exemption under this Section has occurred. When such a transfer occurs, the assessor shall mail a notice to the new owner of the property (i) informing the new owner that the exemption will remain in place through the year of the transfer, after which it will be canceled, and (ii) providing information pertaining to the rules for reapplying for the exemption if the owner qualifies. In counties with 3,000,000 or more inhabitants, the chief county assessment official shall conduct audits of all exemptions granted under this Section no later than December 31, 2022 and no later than December 31, 2024. The audit shall be designed to ascertain whether any senior homestead exemptions have been granted erroneously. If it is determined

that a senior homestead exemption has been erroneously applied to a property, the chief county assessment officer shall make use of the appropriate provisions of Section 9-275 in relation to the property that received the erroneous homestead exemption.

(j) In counties with less than 3,000,000 inhabitants, the county board may by resolution provide that if a person has been granted a homestead exemption under this Section, the person qualifying need not reapply for the exemption.

In counties with less than 3,000,000 inhabitants, if the assessor or chief county assessment officer requires annual application for verification of eligibility for an exemption once granted under this Section, the application shall be mailed to the taxpayer.

(l) The assessor or chief county assessment officer shall notify each person who qualifies for an exemption under this Section that the person may also qualify for deferral of real estate taxes under the Senior Citizens Real Estate Tax Deferral Act. The notice shall set forth the qualifications needed for deferral of real estate taxes, the address and telephone number of county collector, and a statement that applications for deferral of real estate taxes may be obtained from the county collector.

(m) Notwithstanding Sections 6 and 8 of the State Mandates Act, no reimbursement by the State is required for the implementation of any mandate created by this Section.

(Source: P.A. 100-401, eff. 8-25-17; 101-453, eff. 8-23-19; 101-622, eff. 1-14-20.)

(35 ILCS 200/15-172)

Sec. 15-172. Low-Income Senior Citizens Assessment Freeze Homestead Exemption.

(a) This Section may be cited as the Low-Income Senior Citizens Assessment Freeze Homestead Exemption.

(b) As used in this Section:

"Applicant" means an individual who has filed an application under this Section.

"Base amount" means the base year equalized assessed value of the residence plus the first year's equalized assessed value of any added improvements which increased the assessed value of the residence after the base year.

"Base year" means the taxable year prior to the taxable year for which the applicant first qualifies and applies for the exemption provided that in the prior taxable year the property was improved with a permanent structure that was occupied as a residence by the applicant who was liable for paying real property taxes on the property and who was either (i) an owner of record of the property or had legal or equitable interest in the property as evidenced by a written instrument or (ii) had a legal or equitable interest as a lessee in the parcel of property that was single family residence. If in any subsequent taxable year for which the

applicant applies and qualifies for the exemption the equalized assessed value of the residence is less than the equalized assessed value in the existing base year (provided that such equalized assessed value is not based on an assessed value that results from a temporary irregularity in the property that reduces the assessed value for one or more taxable years), then that subsequent taxable year shall become the base year until a new base year is established under the terms of this paragraph. For taxable year 1999 only, the Chief County Assessment Officer shall review (i) all taxable years for which the applicant applied and qualified for the exemption and (ii) the existing base year. The assessment officer shall select as the new base year the year with the lowest equalized assessed value. An equalized assessed value that is based on an assessed value that results from a temporary irregularity in the property that reduces the assessed value for one or more taxable years shall not be considered the lowest equalized assessed value. The selected year shall be the base year for taxable year 1999 and thereafter until a new base year is established under the terms of this paragraph.

"Chief County Assessment Officer" means the County Assessor or Supervisor of Assessments of the county in which the property is located.

"Equalized assessed value" means the assessed value as equalized by the Illinois Department of Revenue.

"Household" means the applicant, the spouse of the applicant, and all persons using the residence of the applicant as their principal place of residence.

"Household income" means the combined income of the members of a household for the calendar year preceding the taxable year.

"Income" has the same meaning as provided in Section 3.07 of the Senior Citizens and Persons with Disabilities Property Tax Relief Act, except that, beginning in assessment year 2001, "income" does not include veteran's benefits.

"Internal Revenue Code of 1986" means the United States Internal Revenue Code of 1986 or any successor law or laws relating to federal income taxes in effect for the year preceding the taxable year.

"Life care facility that qualifies as a cooperative" means a facility as defined in Section 2 of the Life Care Facilities Act.

"Maximum income limitation" means:

- (1) \$35,000 prior to taxable year 1999;
- (2) \$40,000 in taxable years 1999 through 2003;
- (3) \$45,000 in taxable years 2004 through 2005;
- (4) \$50,000 in taxable years 2006 and 2007;
- (5) \$55,000 in taxable years 2008 through 2016;
- (6) for taxable year 2017, (i) \$65,000 for qualified property located in a county with 3,000,000 or more inhabitants and (ii) \$55,000 for qualified property

located in a county with fewer than 3,000,000 inhabitants;  
and

(7) for taxable years 2018 and thereafter, \$65,000 for all qualified property.

As an alternative income valuation, a homeowner who is enrolled in any of the following programs may be presumed to have household income that does not exceed the maximum income limitation for that tax year as required by this Section: Aid to the Aged, Blind or Disabled (AABD) Program or the Supplemental Nutrition Assistance Program (SNAP), both of which are administered by the Department of Human Services; the Low Income Home Energy Assistance Program (LIHEAP), which is administered by the Department of Commerce and Economic Opportunity; The Benefit Access program, which is administered by the Department on Aging; and the Senior Citizens Real Estate Tax Deferral Program.

A chief county assessment officer may indicate that he or she has verified an applicant's income eligibility for this exemption but may not report which program or programs, if any, enroll the applicant. Release of personal information submitted pursuant to this Section shall be deemed an unwarranted invasion of personal privacy under the Freedom of Information Act.

"Residence" means the principal dwelling place and appurtenant structures used for residential purposes in this State occupied on January 1 of the taxable year by a household

and so much of the surrounding land, constituting the parcel upon which the dwelling place is situated, as is used for residential purposes. If the Chief County Assessment Officer has established a specific legal description for a portion of property constituting the residence, then that portion of property shall be deemed the residence for the purposes of this Section.

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

(c) Beginning in taxable year 1994, a low-income 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 that does not exceed the maximum income limitation, (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 age or older during the taxable year, (ii) has a household income that does not exceed the maximum income limitation, (iii) has a legal or equitable ownership interest in the property as

lessee, and (iv) is liable for the payment of real property taxes on that property.

In counties of 3,000,000 or more inhabitants, the amount of the exemption for all taxable years is the equalized assessed value of the residence in the taxable year for which application is made minus the base amount. In all other counties, the amount of the exemption is as follows: (i) through taxable year 2005 and for taxable year 2007 and thereafter, the amount of this exemption shall be the equalized assessed value of the residence in the taxable year for which application is made minus the base amount; and (ii) for taxable year 2006, the amount of the exemption is as follows:

(1) For an applicant who has a household income of \$45,000 or less, the amount of the exemption is the equalized assessed value of the residence in the taxable year for which application is made minus the base amount.

(2) For an applicant who has a household income exceeding \$45,000 but not exceeding \$46,250, the amount of the exemption is (i) the equalized assessed value of the residence in the taxable year for which application is made minus the base amount (ii) multiplied by 0.8.

(3) For an applicant who has a household income exceeding \$46,250 but not exceeding \$47,500, the amount of the exemption is (i) the equalized assessed value of the residence in the taxable year for which application is

made minus the base amount (ii) multiplied by 0.6.

(4) For an applicant who has a household income exceeding \$47,500 but not exceeding \$48,750, the amount of the exemption is (i) the equalized assessed value of the residence in the taxable year for which application is made minus the base amount (ii) multiplied by 0.4.

(5) For an applicant who has a household income exceeding \$48,750 but not exceeding \$50,000, the amount of the exemption is (i) the equalized assessed value of the residence in the taxable year for which application is made minus the base amount (ii) multiplied by 0.2.

When the applicant is a surviving spouse of an applicant for a prior year for the same residence for which an exemption under this Section has been granted, the base year and base amount for that residence are the same as for the applicant for the prior year.

Each year at the time the assessment books are certified to the County Clerk, the Board of Review or Board of Appeals shall give to the County Clerk a list of the assessed values of improvements on each parcel qualifying for this exemption 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 owned and operated as a cooperative or a building that is a life care facility that qualifies as a cooperative, the maximum reduction from the equalized assessed value of the

property is limited to the sum of the reductions calculated for each unit occupied as a residence by a person or persons (i) 65 years of age or older, (ii) with a household income that does not exceed the maximum income limitation, (iii) who is liable, by contract with the owner or owners of record, for paying real property taxes on the property, and (iv) who is an owner of record of a legal or equitable interest in the cooperative apartment building, other than a leasehold interest. In the instance of a cooperative where a homestead exemption has been granted under this Section, the cooperative association or its management firm shall credit the savings resulting from that exemption only to the apportioned tax liability of the owner who qualified for the exemption. Any person who willfully refuses to credit that savings to an owner who qualifies for the exemption is guilty of a Class B misdemeanor.

When a homestead exemption has been granted under this Section and an applicant then becomes a resident of a facility licensed under the Assisted Living and Shared Housing Act, the Nursing Home Care Act, the Specialized Mental Health Rehabilitation Act of 2013, the ID/DD Community Care Act, or the MC/DD Act, the exemption shall be granted in subsequent years so long as the residence (i) continues to be occupied by the qualified applicant's spouse or (ii) if remaining unoccupied, is still owned by the qualified applicant for the homestead exemption.

Beginning January 1, 1997, when an individual dies who would have qualified for an exemption under this Section, and the surviving spouse does not independently qualify for this exemption because of age, the exemption under this Section shall be granted to the surviving spouse for the taxable year preceding and the taxable year of the death, provided that, except for age, the surviving spouse meets all other qualifications for the granting of this exemption for those years.

When married persons maintain separate residences, the 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 shall submit an application by February 15, 1995 to the Chief County Assessment Officer of the county in which the property is located. In counties having 3,000,000 or more inhabitants, for taxable year 1994 and all subsequent taxable years, to receive the exemption, a person may submit an application to the Chief County Assessment Officer of the county in which the property is located during such period as may be specified by the Chief County Assessment Officer. The Chief County Assessment Officer in counties of 3,000,000 or more inhabitants shall annually give notice of the application period by mail or by publication. In counties having less than 3,000,000 inhabitants, beginning with taxable year 1995 and

thereafter, to receive the exemption, a person shall submit an application by July 1 of each taxable year to the Chief County Assessment Officer of the county in which the property is located. A county may, by ordinance, establish a date for submission of applications that is different than July 1. The applicant shall submit with the application an affidavit of the applicant's total household income, age, marital status (and if married the name and address of the applicant's spouse, if known), and principal dwelling place of members of the household on January 1 of the taxable year. The Department shall establish, by rule, a method for verifying the accuracy of affidavits filed by applicants under this Section, and the Chief County Assessment Officer may conduct audits of any taxpayer claiming an exemption under this Section to verify that the taxpayer is eligible to receive the exemption. Each application shall contain or be verified by a written declaration that it is made under the penalties of perjury. A taxpayer's signing a fraudulent application under this Act is perjury, as defined in Section 32-2 of the Criminal Code of 2012. The applications shall be clearly marked as applications for the Low-Income Senior Citizens Assessment Freeze Homestead Exemption and must contain a notice that any taxpayer who receives the exemption is subject to an audit by the Chief County Assessment Officer.

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 shall provide the Chief County Assessment Officer with a signed statement from the applicant's physician, advanced practice registered nurse, or physician assistant stating the nature and extent of the condition, that, in the physician's, advanced practice registered nurse's, or physician assistant'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 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 3 months. In order to receive the extension provided in this paragraph, the applicant shall provide the Chief County Assessment Officer with a signed statement from the applicant's physician, advanced practice registered nurse, or physician assistant stating the nature and extent of the condition, and that, in the physician's, advanced practice registered nurse's, or physician assistant'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 using 1994, rather than 1993, as the base year, and (iii) the amount of the exemption erroneously denied for taxable year 1994.

For purposes of this Section, a person who will be 65 years of age during the current taxable year shall be eligible to

apply for the homestead exemption during that taxable year. Application shall be made during the application period in effect for the county of his or her residence.

The Chief County Assessment Officer may determine the eligibility of a life care facility that qualifies as a cooperative to receive the benefits provided by this Section by use of an affidavit, application, visual inspection, questionnaire, or other reasonable method in order to insure that the tax savings resulting from the exemption are credited by the management firm to the apportioned tax liability of each qualifying resident. The Chief County Assessment Officer may request reasonable proof that the management firm has so credited that exemption.

Except as provided in this Section, all information received by the chief county assessment officer or the Department from applications filed under this Section, or from any investigation conducted under the provisions of this Section, shall be confidential, except for official purposes or pursuant to official procedures for collection of any State or local tax or enforcement of any civil or criminal penalty or sanction imposed by this Act or by any statute or ordinance imposing a State or local tax. Any person who divulges any such information in any manner, except in accordance with a proper judicial order, is guilty of a Class A misdemeanor.

Nothing contained in this Section shall prevent the Director or chief county assessment officer from publishing or

making available reasonable statistics concerning the operation of the exemption contained in this Section in which the contents of claims are grouped into aggregates in such a way that information contained in any individual claim shall not be disclosed.

Notwithstanding any other provision of law, for taxable year 2017 and thereafter, in counties of 3,000,000 or more inhabitants, the amount of the exemption shall be the greater of (i) the amount of the exemption otherwise calculated under this Section or (ii) \$2,000.

(c-5) Notwithstanding any other provision of law, each chief county assessment officer may approve this exemption for the 2020 taxable year, without application, for any property that was approved for this exemption for the 2019 taxable year, provided that:

(1) the county board has declared a local disaster as provided in the Illinois Emergency Management Agency Act related to the COVID-19 public health emergency;

(2) the owner of record of the property as of January 1, 2020 is the same as the owner of record of the property as of January 1, 2019;

(3) the exemption for the 2019 taxable year has not been determined to be an erroneous exemption as defined by this Code; and

(4) the applicant for the 2019 taxable year has not asked for the exemption to be removed for the 2019 or 2020

taxable years.

Nothing in this subsection shall preclude or impair the authority of a chief county assessment officer to conduct audits of any taxpayer claiming an exemption under this Section to verify that the taxpayer is eligible to receive the exemption as provided elsewhere in this Section.

(c-10) Notwithstanding any other provision of law, each chief county assessment officer may approve this exemption for the 2021 taxable year, without application, for any property that was approved for this exemption for the 2020 taxable year, if:

(1) the county board has declared a local disaster as provided in the Illinois Emergency Management Agency Act related to the COVID-19 public health emergency;

(2) the owner of record of the property as of January 1, 2021 is the same as the owner of record of the property as of January 1, 2020;

(3) the exemption for the 2020 taxable year has not been determined to be an erroneous exemption as defined by this Code; and

(4) the taxpayer for the 2020 taxable year has not asked for the exemption to be removed for the 2020 or 2021 taxable years.

Nothing in this subsection shall preclude or impair the authority of a chief county assessment officer to conduct audits of any taxpayer claiming an exemption under this

Section to verify that the taxpayer is eligible to receive the exemption as provided elsewhere in this Section.

(d) Each Chief County Assessment Officer shall annually publish a notice of availability of the exemption provided under this Section. The notice shall be published at least 60 days but no more than 75 days prior to the date on which the application must be submitted to the Chief County Assessment Officer of the county in which the property is located. The notice shall appear in a newspaper of general circulation in the county.

Notwithstanding Sections 6 and 8 of the State Mandates Act, no reimbursement by the State is required for the implementation of any mandate created by this Section.

(Source: P.A. 101-635, eff. 6-5-20; 102-136, eff. 7-23-21.)

(35 ILCS 200/15-175)

Sec. 15-175. General homestead exemption.

(a) Except as provided in Sections 15-176 and 15-177, homestead property is entitled to an annual homestead exemption limited, except as described here with relation to cooperatives or life care facilities, to a reduction in the equalized assessed value of homestead property equal to the increase in equalized assessed value for the current assessment year above the equalized assessed value of the property for 1977, up to the maximum reduction set forth below. If however, the 1977 equalized assessed value upon

which taxes were paid is subsequently determined by local assessing officials, the Property Tax Appeal Board, or a court to have been excessive, the equalized assessed value which should have been placed on the property for 1977 shall be used to determine the amount of the exemption.

(b) Except as provided in Section 15-176, the maximum reduction before taxable year 2004 shall be \$4,500 in counties with 3,000,000 or more inhabitants and \$3,500 in all other counties. Except as provided in Sections 15-176 and 15-177, for taxable years 2004 through 2007, the maximum reduction shall be \$5,000, for taxable year 2008, the maximum reduction is \$5,500, and, for taxable years 2009 through 2011, the maximum reduction is \$6,000 in all counties. For taxable years 2012 through 2016, the maximum reduction is \$7,000 in counties with 3,000,000 or more inhabitants and \$6,000 in all other counties. For taxable years 2017 through 2022 ~~and thereafter~~, the maximum reduction is \$10,000 in counties with 3,000,000 or more inhabitants and \$6,000 in all other counties. For taxable years 2023 and thereafter, the maximum reduction is \$10,000 in counties with 3,000,000 or more inhabitants, \$8,000 in counties that are contiguous to a county of 3,000,000 or more inhabitants, and \$6,000 in all other counties. If a county has elected to subject itself to the provisions of Section 15-176 as provided in subsection (k) of that Section, then, for the first taxable year only after the provisions of Section 15-176 no longer apply, for owners who, for the taxable year, have not

been granted a senior citizens assessment freeze homestead exemption under Section 15-172 or a long-time occupant homestead exemption under Section 15-177, there shall be an additional exemption of \$5,000 for owners with a household income of \$30,000 or less.

(c) In counties with fewer than 3,000,000 inhabitants, if, based on the most recent assessment, the equalized assessed value of the homestead property for the current assessment year is greater than the equalized assessed value of the property for 1977, the owner of the property shall automatically receive the exemption granted under this Section in an amount equal to the increase over the 1977 assessment up to the maximum reduction set forth in this Section.

(d) If in any assessment year beginning with the 2000 assessment year, homestead property has a pro-rata valuation under Section 9-180 resulting in an increase in the assessed valuation, a reduction in equalized assessed valuation equal to the increase in equalized assessed value of the property for the year of the pro-rata valuation above the equalized assessed value of the property for 1977 shall be applied to the property on a proportionate basis for the period the property qualified as homestead property during the assessment year. The maximum proportionate homestead exemption shall not exceed the maximum homestead exemption allowed in the county under this Section divided by 365 and multiplied by the number of days the property qualified as homestead property.

(d-1) In counties with 3,000,000 or more inhabitants, where the chief county assessment officer provides a notice of discovery, if a property is not occupied by its owner as a principal residence as of January 1 of the current tax year, then the property owner shall notify the chief county assessment officer of that fact on a form prescribed by the chief county assessment officer. That notice must be received by the chief county assessment officer on or before March 1 of the collection year. If mailed, the form shall be sent by certified mail, return receipt requested. If the form is provided in person, the chief county assessment officer shall provide a date stamped copy of the notice. Failure to provide timely notice pursuant to this subsection (d-1) shall result in the exemption being treated as an erroneous exemption. Upon timely receipt of the notice for the current tax year, no exemption shall be applied to the property for the current tax year. If the exemption is not removed upon timely receipt of the notice by the chief assessment officer, then the error is considered granted as a result of a clerical error or omission on the part of the chief county assessment officer as described in subsection (h) of Section 9-275, and the property owner shall not be liable for the payment of interest and penalties due to the erroneous exemption for the current tax year for which the notice was filed after the date that notice was timely received pursuant to this subsection. Notice provided under this subsection shall not constitute a defense

or amnesty for prior year erroneous exemptions.

For the purposes of this subsection (d-1):

"Collection year" means the year in which the first and second installment of the current tax year is billed.

"Current tax year" means the year prior to the collection year.

(e) The chief county assessment officer may, when considering whether to grant a leasehold exemption under this Section, require the following conditions to be met:

(1) that a notarized application for the exemption, signed by both the owner and the lessee of the property, must be submitted each year during the application period in effect for the county in which the property is located;

(2) that a copy of the lease must be filed with the chief county assessment officer by the owner of the property at the time the notarized application is submitted;

(3) that the lease must expressly state that the lessee is liable for the payment of property taxes; and

(4) that the lease must include the following language in substantially the following form:

"Lessee shall be liable for the payment of real estate taxes with respect to the residence in accordance with the terms and conditions of Section 15-175 of the Property Tax Code (35 ILCS 200/15-175). The permanent real estate index number for the

premises is (insert number), and, according to the most recent property tax bill, the current amount of real estate taxes associated with the premises is (insert amount) per year. The parties agree that the monthly rent set forth above shall be increased or decreased pro rata (effective January 1 of each calendar year) to reflect any increase or decrease in real estate taxes. Lessee shall be deemed to be satisfying Lessee's liability for the above mentioned real estate taxes with the monthly rent payments as set forth above (or increased or decreased as set forth herein).".

In addition, if there is a change in lessee, or if the lessee vacates the property, then the chief county assessment officer may require the owner of the property to notify the chief county assessment officer of that change.

This subsection (e) does not apply to leasehold interests in property owned by a municipality.

(f) "Homestead property" under this Section includes residential property that is occupied by its owner or owners as his or their principal dwelling place, or that is a leasehold interest on which a single family residence is situated, which is occupied as a residence by a person who has an ownership interest therein, legal or equitable or as a lessee, and on which the person is liable for the payment of property taxes. For land improved with an apartment building

owned and operated as a cooperative, the maximum reduction from the equalized assessed value shall be limited to the increase in the value above the equalized assessed value of the property for 1977, up to the maximum reduction set forth above, multiplied by the number of apartments or units occupied by a person or persons who is liable, by contract with the owner or owners of record, for paying property taxes on the property and is an owner of record of a legal or equitable interest in the cooperative apartment building, other than a leasehold interest. For land improved with a life care facility, the maximum reduction from the value of the property, as equalized by the Department, shall be multiplied by the number of apartments or units occupied by a person or persons, irrespective of any legal, equitable, or leasehold interest in the facility, who are liable, under a life care contract with the owner or owners of record of the facility, for paying property taxes on the property. For purposes of this Section, the term "life care facility" has the meaning stated in Section 15-170.

"Household", as used in this Section, means the owner, the spouse of the owner, and all persons using the residence of the owner as their principal place of residence.

"Household income", as used in this Section, means the combined income of the members of a household for the calendar year preceding the taxable year.

"Income", as used in this Section, has the same meaning as

provided in Section 3.07 of the Senior Citizens and Persons with Disabilities Property Tax Relief Act, except that "income" does not include veteran's benefits.

(g) In a cooperative or life care facility where a homestead exemption has been granted, the cooperative association or the management of the cooperative or life care facility shall credit the savings resulting from that exemption only to the apportioned tax liability of the owner or resident who qualified for the exemption. Any person who willfully refuses to so credit the savings shall be guilty of a Class B misdemeanor.

(h) Where married persons maintain and reside in separate residences qualifying as homestead property, each residence shall receive 50% of the total reduction in equalized assessed valuation provided by this Section.

(i) In all counties, the assessor or chief county assessment officer may determine the eligibility of residential property to receive the homestead exemption and the amount of the exemption by application, visual inspection, questionnaire or other reasonable methods. The determination shall be made in accordance with guidelines established by the Department, provided that the taxpayer applying for an additional general exemption under this Section shall submit to the chief county assessment officer an application with an affidavit of the applicant's total household income, age, marital status (and, if married, the name and address of the

applicant's spouse, if known), and principal dwelling place of members of the household on January 1 of the taxable year. The Department shall issue guidelines establishing a method for verifying the accuracy of the affidavits filed by applicants under this paragraph. The applications shall be clearly marked as applications for the Additional General Homestead Exemption.

(i-5) This subsection (i-5) applies to counties with 3,000,000 or more inhabitants. In the event of a sale of homestead property, the homestead exemption shall remain in effect for the remainder of the assessment year of the sale. Upon receipt of a transfer declaration transmitted by the recorder pursuant to Section 31-30 of the Real Estate Transfer Tax Law for property receiving an exemption under this Section, the assessor shall mail a notice and forms to the new owner of the property providing information pertaining to the rules and applicable filing periods for applying or reapplying for homestead exemptions under this Code for which the property may be eligible. If the new owner fails to apply or reapply for a homestead exemption during the applicable filing period or the property no longer qualifies for an existing homestead exemption, the assessor shall cancel such exemption for any ensuing assessment year.

(j) In counties with fewer than 3,000,000 inhabitants, in the event of a sale of homestead property the homestead exemption shall remain in effect for the remainder of the

assessment year of the sale. The assessor or chief county assessment officer may require the new owner of the property to apply for the homestead exemption for the following assessment year.

(k) Notwithstanding Sections 6 and 8 of the State Mandates Act, no reimbursement by the State is required for the implementation of any mandate created by this Section.

(l) The changes made to this Section by this amendatory Act of the 100th General Assembly are effective for the 2018 tax year and thereafter.

(Source: P.A. 99-143, eff. 7-27-15; 99-164, eff. 7-28-15; 99-642, eff. 7-28-16; 99-851, eff. 8-19-16; 100-401, eff. 8-25-17; 100-1077, eff. 1-1-19.)

(35 ILCS 200/18-185)

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

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

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

"Affected county" means a county of 3,000,000 or more

inhabitants or a county contiguous to a county of 3,000,000 or more inhabitants.

"Taxing district" has the same meaning provided in Section 1-150, except as otherwise provided in this Section. For the 1991 through 1994 levy years only, "taxing district" includes only each non-home rule taxing district having the majority of its 1990 equalized assessed value within any county or counties contiguous to a county with 3,000,000 or more inhabitants. Beginning with the 1995 levy year, "taxing district" includes only each non-home rule taxing district subject to this Law before the 1995 levy year and each non-home rule taxing district not subject to this Law before the 1995 levy year having the majority of its 1994 equalized assessed value in an affected county or counties. Beginning with the levy year in which this Law becomes applicable to a taxing district as provided in Section 18-213, "taxing district" also includes those taxing districts made subject to this Law as provided in Section 18-213.

"Aggregate extension" for taxing districts to which this Law applied before the 1995 levy year means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on

general obligation bonds issued before October 1, 1991; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before October 1, 1991; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after October 1, 1991 that were approved by referendum; (e) made for any taxing district to pay interest or principal on revenue bonds issued before October 1, 1991 for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before October 1, 1991, to pay for the building project; (g) made for payments due under installment contracts entered into before October 1, 1991; (h) made for payments of principal and interest on bonds issued under the Metropolitan Water Reclamation District Act to finance construction projects initiated before October 1, 1991; (i) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), (e), and (h) of this

definition for non-referendum obligations, except obligations initially issued pursuant to referendum; (j) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; (k) made by a school district that participates in the Special Education District of Lake County, created by special education joint agreement under Section 10-22.31 of the School Code, for payment of the school district's share of the amounts required to be contributed by the Special Education District of Lake County to the Illinois Municipal Retirement Fund under Article 7 of the Illinois Pension Code; the amount of any extension under this item (k) shall be certified by the school district to the county clerk; (l) made to fund expenses of providing joint recreational programs for persons with disabilities under Section 5-8 of the Park District Code or Section 11-95-14 of the Illinois Municipal Code; (m) made for temporary relocation loan repayment purposes pursuant to Sections 2-3.77 and 17-2.2d of the School Code; (n) made for payment of principal and interest on any bonds issued under the authority of Section 17-2.2d of the School Code; (o) made for contributions to a firefighter's pension fund created under Article 4 of the Illinois Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code; and (p) made for road purposes in the first year after a township assumes the rights, powers, duties, assets, property, liabilities, obligations, and responsibilities of a road

district abolished under the provisions of Section 6-133 of the Illinois Highway Code.

"Aggregate extension" for the taxing districts to which this Law did not apply before the 1995 levy year (except taxing districts subject to this Law in accordance with Section 18-213) means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before March 1, 1995; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before March 1, 1995; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after March 1, 1995 that were approved by referendum; (e) made for any taxing district to pay interest or principal on revenue bonds issued before March 1, 1995 for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission

lease when the lease payments are for the retirement of bonds issued by the commission before March 1, 1995 to pay for the building project; (g) made for payments due under installment contracts entered into before March 1, 1995; (h) made for payments of principal and interest on bonds issued under the Metropolitan Water Reclamation District Act to finance construction projects initiated before October 1, 1991; (h-4) made for stormwater management purposes by the Metropolitan Water Reclamation District of Greater Chicago under Section 12 of the Metropolitan Water Reclamation District Act; (i) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), and (e) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum and bonds described in subsection (h) of this definition; (j) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; (k) made for payments of principal and interest on bonds authorized by Public Act 88-503 and issued under Section 20a of the Chicago Park District Act for aquarium or museum projects and bonds issued under Section 20a of the Chicago Park District Act for the purpose of making contributions to the pension fund established under Article 12 of the Illinois Pension Code; (l) made for payments of principal and interest on bonds

authorized by Public Act 87-1191 or 93-601 and (i) issued pursuant to Section 21.2 of the Cook County Forest Preserve District Act, (ii) issued under Section 42 of the Cook County Forest Preserve District Act for zoological park projects, or (iii) issued under Section 44.1 of the Cook County Forest Preserve District Act for botanical gardens projects; (m) made pursuant to Section 34-53.5 of the School Code, whether levied annually or not; (n) made to fund expenses of providing joint recreational programs for persons with disabilities under Section 5-8 of the Park District Code or Section 11-95-14 of the Illinois Municipal Code; (o) made by the Chicago Park District for recreational programs for persons with disabilities under subsection (c) of Section 7.06 of the Chicago Park District Act; (p) made for contributions to a firefighter's pension fund created under Article 4 of the Illinois Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code; (q) made by Ford Heights School District 169 under Section 17-9.02 of the School Code; and (r) made for the purpose of making employer contributions to the Public School Teachers' Pension and Retirement Fund of Chicago under Section 34-53 of the School Code.

"Aggregate extension" for all taxing districts to which this Law applies in accordance with Section 18-213, except for those taxing districts subject to paragraph (2) of subsection (e) of Section 18-213, means the annual corporate extension

for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before the date on which the referendum making this Law applicable to the taxing district is held; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before the date on which the referendum making this Law applicable to the taxing district is held; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after the date on which the referendum making this Law applicable to the taxing district is held if the bonds were approved by referendum after the date on which the referendum making this Law applicable to the taxing district is held; (e) made for any taxing district to pay interest or principal on revenue bonds issued before the date on which the referendum making this Law applicable to the taxing district is held for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those

payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before the date on which the referendum making this Law applicable to the taxing district is held to pay for the building project; (g) made for payments due under installment contracts entered into before the date on which the referendum making this Law applicable to the taxing district is held; (h) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), and (e) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum; (i) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; (j) made for a qualified airport authority to pay interest or principal on general obligation bonds issued for the purpose of paying obligations due under, or financing airport facilities required to be acquired, constructed, installed or equipped pursuant to, contracts entered into before March 1, 1996 (but not including any amendments to such a contract taking effect on or after that date); (k) made to fund expenses of providing joint recreational programs for persons with disabilities under Section 5-8 of the Park District Code or Section 11-95-14 of the Illinois Municipal Code; (l) made for contributions to a firefighter's pension

fund created under Article 4 of the Illinois Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code; and (m) made for the taxing district to pay interest or principal on general obligation bonds issued pursuant to Section 19-3.10 of the School Code.

"Aggregate extension" for all taxing districts to which this Law applies in accordance with paragraph (2) of subsection (e) of Section 18-213 means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before March 7, 1997 (the effective date of Public Act 89-718); (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before March 7, 1997 (the effective date of Public Act 89-718); (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after March 7, 1997 (the effective date of Public Act 89-718) if the bonds were approved by referendum after March 7, 1997 (the effective date of Public Act 89-718); (e) made for any taxing district to pay interest or principal on revenue bonds issued before March 7, 1997 (the effective date of Public Act 89-718) for payment

of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before March 7, 1997 (the effective date of Public Act 89-718) to pay for the building project; (g) made for payments due under installment contracts entered into before March 7, 1997 (the effective date of Public Act 89-718); (h) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), and (e) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum; (i) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; (j) made for a qualified airport authority to pay interest or principal on general obligation bonds issued for the purpose of paying obligations due under, or financing airport facilities required to be acquired, constructed, installed or equipped pursuant to, contracts entered into before March 1, 1996 (but not including any amendments to such a contract taking effect on or after that date); (k) made to

fund expenses of providing joint recreational programs for persons with disabilities under Section 5-8 of the Park District Code or Section 11-95-14 of the Illinois Municipal Code; and (1) made for contributions to a firefighter's pension fund created under Article 4 of the Illinois Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code.

"Debt service extension base" means an amount equal to that portion of the extension for a taxing district for the 1994 levy year, or for those taxing districts subject to this Law in accordance with Section 18-213, except for those subject to paragraph (2) of subsection (e) of Section 18-213, for the levy year in which the referendum making this Law applicable to the taxing district is held, or for those taxing districts subject to this Law in accordance with paragraph (2) of subsection (e) of Section 18-213 for the 1996 levy year, constituting an extension for payment of principal and interest on bonds issued by the taxing district without referendum, but not including excluded non-referendum bonds. For park districts (i) that were first subject to this Law in 1991 or 1995 and (ii) whose extension for the 1994 levy year for the payment of principal and interest on bonds issued by the park district without referendum (but not including excluded non-referendum bonds) was less than 51% of the amount for the 1991 levy year constituting an extension for payment of principal and interest on bonds issued by the park district

without referendum (but not including excluded non-referendum bonds), "debt service extension base" means an amount equal to that portion of the extension for the 1991 levy year constituting an extension for payment of principal and interest on bonds issued by the park district without referendum (but not including excluded non-referendum bonds). A debt service extension base established or increased at any time pursuant to any provision of this Law, except Section 18-212, shall be increased each year commencing with the later of (i) the 2009 levy year or (ii) the first levy year in which this Law becomes applicable to the taxing district, by the lesser of 5% or the percentage increase in the Consumer Price Index during the 12-month calendar year preceding the levy year. The debt service extension base may be established or increased as provided under Section 18-212. "Excluded non-referendum bonds" means (i) bonds authorized by Public Act 88-503 and issued under Section 20a of the Chicago Park District Act for aquarium and museum projects; (ii) bonds issued under Section 15 of the Local Government Debt Reform Act; or (iii) refunding obligations issued to refund or to continue to refund obligations initially issued pursuant to referendum.

"Special purpose extensions" include, but are not limited to, extensions for levies made on an annual basis for unemployment and workers' compensation, self-insurance, contributions to pension plans, and extensions made pursuant

to Section 6-601 of the Illinois Highway Code for a road district's permanent road fund whether levied annually or not. The extension for a special service area is not included in the aggregate extension.

"Aggregate extension base" means the taxing district's last preceding aggregate extension as adjusted under Sections 18-135, 18-215, 18-230, 18-206, and 18-233. Beginning with levy year 2022, for taxing districts that are specified in Section 18-190.7, the taxing district's aggregate extension base shall be calculated as provided in Section 18-190.7. An adjustment under Section 18-135 shall be made for the 2007 levy year and all subsequent levy years whenever one or more counties within which a taxing district is located (i) used estimated valuations or rates when extending taxes in the taxing district for the last preceding levy year that resulted in the over or under extension of taxes, or (ii) increased or decreased the tax extension for the last preceding levy year as required by Section 18-135(c). Whenever an adjustment is required under Section 18-135, the aggregate extension base of the taxing district shall be equal to the amount that the aggregate extension of the taxing district would have been for the last preceding levy year if either or both (i) actual, rather than estimated, valuations or rates had been used to calculate the extension of taxes for the last levy year, or (ii) the tax extension for the last preceding levy year had not been adjusted as required by subsection (c) of Section 18-135.

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

Notwithstanding any other provision of law, for levy year 2022, the aggregate extension base of a home equity assurance program that levied at least \$1,000,000 in property taxes in levy year 2019 or 2020 under the Home Equity Assurance Act shall be the amount that the program's aggregate extension base for levy year 2021 would have been if the program had levied a property tax for levy year 2021.

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

"New property" means (i) the assessed value, after final board of review or board of appeals action, of new improvements or additions to existing improvements on any parcel of real property that increase the assessed value of that real property during the levy year multiplied by the equalization factor issued by the Department under Section 17-30, (ii) the assessed value, after final board of review or board of appeals action, of real property not exempt from real estate taxation, which real property was exempt from real estate taxation for any portion of the immediately preceding levy year, multiplied by the equalization factor issued by the Department under Section 17-30, including the assessed value, upon final stabilization of occupancy after new construction is complete, of any real property located within the

boundaries of an otherwise or previously exempt military reservation that is intended for residential use and owned by or leased to a private corporation or other entity, (iii) in counties that classify in accordance with Section 4 of Article IX of the Illinois Constitution, an incentive property's additional assessed value resulting from a scheduled increase in the level of assessment as applied to the first year final board of review market value, and (iv) any increase in assessed value due to oil or gas production from an oil or gas well required to be permitted under the Hydraulic Fracturing Regulatory Act that was not produced in or accounted for during the previous levy year. In addition, the county clerk in a county containing a population of 3,000,000 or more shall include in the 1997 recovered tax increment value for any school district, any recovered tax increment value that was applicable to the 1995 tax year calculations.

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

"Recovered tax increment value" means, except as otherwise provided in this paragraph, the amount of the current year's equalized assessed value, in the first year after a municipality terminates the designation of an area as a redevelopment project area previously established under the Tax Increment Allocation Redevelopment Act in the Illinois

Municipal Code, previously established under the Industrial Jobs Recovery Law in the Illinois Municipal Code, previously established under the Economic Development Project Area Tax Increment Act of 1995, or previously established under the Economic Development Area Tax Increment Allocation Act, of each taxable lot, block, tract, or parcel of real property in the redevelopment project area over and above the initial equalized assessed value of each property in the redevelopment project area. For the taxes which are extended for the 1997 levy year, the recovered tax increment value for a non-home rule taxing district that first became subject to this Law for the 1995 levy year because a majority of its 1994 equalized assessed value was in an affected county or counties shall be increased if a municipality terminated the designation of an area in 1993 as a redevelopment project area previously established under the Tax Increment Allocation Redevelopment Act in the Illinois Municipal Code, previously established under the Industrial Jobs Recovery Law in the Illinois Municipal Code, or previously established under the Economic Development Area Tax Increment Allocation Act, by an amount equal to the 1994 equalized assessed value of each taxable lot, block, tract, or parcel of real property in the redevelopment project area over and above the initial equalized assessed value of each property in the redevelopment project area. In the first year after a municipality removes a taxable lot, block, tract, or parcel of real property from a

redevelopment project area established under the Tax Increment Allocation Redevelopment Act in the Illinois Municipal Code, the Industrial Jobs Recovery Law in the Illinois Municipal Code, or the Economic Development Area Tax Increment Allocation Act, "recovered tax increment value" means the amount of the current year's equalized assessed value of each taxable lot, block, tract, or parcel of real property removed from the redevelopment project area over and above the initial equalized assessed value of that real property before removal from the redevelopment project area.

Except as otherwise provided in this Section, "limiting rate" means a fraction the numerator of which is the last preceding aggregate extension base times an amount equal to one plus the extension limitation defined in this Section and the denominator of which is the current year's equalized assessed value of all real property in the territory under the jurisdiction of the taxing district during the prior levy year. For those taxing districts that reduced their aggregate extension for the last preceding levy year, except for school districts that reduced their extension for educational purposes pursuant to Section 18-206, the highest aggregate extension in any of the last 3 preceding levy years shall be used for the purpose of computing the limiting rate. The denominator shall not include new property or the recovered tax increment value. If a new rate, a rate decrease, or a limiting rate increase has been approved at an election held

after March 21, 2006, then (i) the otherwise applicable limiting rate shall be increased by the amount of the new rate or shall be reduced by the amount of the rate decrease, as the case may be, or (ii) in the case of a limiting rate increase, the limiting rate shall be equal to the rate set forth in the proposition approved by the voters for each of the years specified in the proposition, after which the limiting rate of the taxing district shall be calculated as otherwise provided. In the case of a taxing district that obtained referendum approval for an increased limiting rate on March 20, 2012, the limiting rate for tax year 2012 shall be the rate that generates the approximate total amount of taxes extendable for that tax year, as set forth in the proposition approved by the voters; this rate shall be the final rate applied by the county clerk for the aggregate of all capped funds of the district for tax year 2012.

(Source: P.A. 102-263, eff. 8-6-21; 102-311, eff. 8-6-21; 102-519, eff. 8-20-21; 102-558, eff. 8-20-21; revised 10-5-21.)

(35 ILCS 200/18-190.7 new)

Sec. 18-190.7. Alternative aggregate extension base for certain taxing districts; recapture.

(a) This Section applies to the following taxing districts that are subject to this Division 5:

(1) school districts that have a designation of

recognition or review according to the State Board of Education's School District Financial Profile System as of the first day of the levy year for which the taxing district seeks to increase its aggregate extension under this Section;

(2) park districts;

(3) library districts; and

(4) community college districts.

(b) Subject to the limitations of subsection (c), beginning in levy year 2022, a taxing district specified in subsection (a) may recapture certain levy amounts that are otherwise unavailable to the taxing district as a result of the taxing district not extending the maximum amount permitted under this Division 5 in a previous levy year. For that purpose, the taxing district's aggregate extension base shall be the greater of: (1) the taxing district's aggregate extension limit; or (2) the taxing district's last preceding aggregate extension, as adjusted under Sections 18-135, 18-215, 18-230, 18-206, and 18-233.

(c) Notwithstanding the provisions of this Section, the aggregate extension of a taxing district that uses an aggregate extension limit under this Section for a particular levy year may not exceed the taxing district's aggregate extension for the immediately preceding levy year by more than 5% unless the increase is approved by the voters under Section 18-205; however, if a taxing district is unable to recapture

the entire unrealized levy amount in a single levy year due to the limitations of this subsection (c), the taxing district may increase its aggregate extension in each immediately succeeding levy year until the entire levy amount is recaptured, except that the increase in each succeeding levy year may not exceed the greater of (i) 5% or (ii) the increase approved by the voters under Section 18-205.

In order to be eligible for recapture under this Section, the taxing district must certify to the county clerk that the taxing district did not extend the maximum amount permitted under this Division 5 for a particular levy year. That certification must be made not more than 60 days after the taxing district files its levy ordinance or resolution with the county clerk for the levy year for which the taxing district did not extend the maximum amount permitted under this Division 5.

(d) As used in this Section, "aggregate extension limit" means the taxing district's last preceding aggregate extension if the district had utilized the maximum limiting rate permitted without referendum for each of the 3 immediately preceding levy years, as adjusted under Section 18-135, 18-215, 18-230, 18-206, and 18-233.

Section 15. The School Code is amended by changing Section 17-2A and by adding Section 17-1.3 as follows:

(105 ILCS 5/17-1.3 new)

Sec. 17-1.3. Disclosure of cash balance. Notwithstanding any other provision of law, each school district shall disclose to the public, at the public hearing at which the district certifies its budget and levy for the taxable year, the cash reserve balance of all funds held by the district related to its operational levy and, if applicable, any obligations secured by those funds.

(105 ILCS 5/17-2A) (from Ch. 122, par. 17-2A)

Sec. 17-2A. Interfund transfers.

(a) The school board of any district having a population of less than 500,000 inhabitants may, by proper resolution following a public hearing set by the school board or the president of the school board (that is preceded (i) by at least one published notice over the name of the clerk or secretary of the board, occurring at least 7 days and not more than 30 days prior to the hearing, in a newspaper of general circulation within the school district and (ii) by posted notice over the name of the clerk or secretary of the board, at least 48 hours before the hearing, at the principal office of the school board or at the building where the hearing is to be held if a principal office does not exist, with both notices setting forth the time, date, place, and subject matter of the hearing), transfer money from (1) the Educational Fund to the Operations and Maintenance Fund or the Transportation Fund,

(2) the Operations and Maintenance Fund to the Educational Fund or the Transportation Fund, (3) the Transportation Fund to the Educational Fund or the Operations and Maintenance Fund, or (4) the Tort Immunity Fund to the Operations and Maintenance Fund of said district, provided that, except during the period from July 1, 2003 through June 30, 2024, such transfer is made solely for the purpose of meeting one-time, non-recurring expenses. Except during the period from July 1, 2003 through June 30, 2026 ~~June 30, 2024~~ and except as otherwise provided in subsection (b) of this Section, any other permanent interfund transfers authorized by any provision or judicial interpretation of this Code for which the transferee fund is not precisely and specifically set forth in the provision of this Code authorizing such transfer shall be made to the fund of the school district most in need of the funds being transferred, as determined by resolution of the school board.

(b) (Blank).

(c) Notwithstanding subsection (a) of this Section or any other provision of this Code to the contrary, the school board of any school district (i) that is subject to the Property Tax Extension Limitation Law, (ii) that is an elementary district servicing students in grades K through 8, (iii) whose territory is in one county, (iv) that is eligible for Section 7002 Federal Impact Aid, and (v) that has no more than \$81,000 in funds remaining from refinancing bonds that were refinanced

a minimum of 5 years prior to January 20, 2017 (the effective date of Public Act 99-926) may make a one-time transfer of the funds remaining from the refinancing bonds to the Operations and Maintenance Fund of the district by proper resolution following a public hearing set by the school board or the president of the school board, with notice as provided in subsection (a) of this Section, so long as the district meets the qualifications set forth in this subsection (c) on January 20, 2017 (the effective date of Public Act 99-926).

(d) Notwithstanding subsection (a) of this Section or any other provision of this Code to the contrary, the school board of any school district (i) that is subject to the Property Tax Extension Limitation Law, (ii) that is a community unit school district servicing students in grades K through 12, (iii) whose territory is in one county, (iv) that owns property designated by the United States as a Superfund site pursuant to the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9601 et seq.), and (v) that has an excess accumulation of funds in its bond fund, including funds accumulated prior to July 1, 2000, may make a one-time transfer of those excess funds accumulated prior to July 1, 2000 to the Operations and Maintenance Fund of the district by proper resolution following a public hearing set by the school board or the president of the school board, with notice as provided in subsection (a) of this Section, so long as the district meets the qualifications set forth in

this subsection (d) on August 4, 2017 (the effective date of Public Act 100-32).

(Source: P.A. 101-643, eff. 6-18-20; 102-671, eff. 11-30-21.)

Section 20. The Senior Citizens Real Estate Tax Deferral Act is amended by changing Section 3 as follows:

(320 ILCS 30/3) (from Ch. 67 1/2, par. 453)

Sec. 3. A taxpayer may, on or before March 1 of each year, apply to the county collector of the county where his qualifying property is located, or to the official designated by a unit of local government to collect special assessments on the qualifying property, as the case may be, for a deferral of all or a part of real estate taxes payable during that year for the preceding year in the case of real estate taxes other than special assessments, or for a deferral of any installments payable during that year in the case of special assessments, on all or part of his qualifying property. The application shall be on a form prescribed by the Department and furnished by the collector, (a) showing that the applicant will be 65 years of age or older by June 1 of the year for which a tax deferral is claimed, (b) describing the property and verifying that the property is qualifying property as defined in Section 2, (c) certifying that the taxpayer has owned and occupied as his residence such property or other qualifying property in the State for at least the last 3 years

except for any periods during which the taxpayer may have temporarily resided in a nursing or sheltered care home, and (d) specifying whether the deferral is for all or a part of the taxes, and, if for a part, the amount of deferral applied for. As to qualifying property not having a separate assessed valuation, the taxpayer shall also file with the county collector a written appraisal of the property prepared by a qualified real estate appraiser together with a certificate signed by the appraiser stating that he has personally examined the property and setting forth the value of the land and the value of the buildings thereon occupied by the taxpayer as his residence.

The collector shall grant the tax deferral provided such deferral does not exceed funds available in the Senior Citizens Real Estate Deferred Tax Revolving Fund and provided that the owner or owners of such real property have entered into a tax deferral and recovery agreement with the collector on behalf of the county or other unit of local government, which agreement expressly states:

(1) That the total amount of taxes deferred under this Act, plus interest, for the year for which a tax deferral is claimed as well as for those previous years for which taxes are not delinquent and for which such deferral has been claimed may not exceed 80% of the taxpayer's equity interest in the property for which taxes are to be deferred and that, if the total deferred taxes plus interest equals 80% of the

taxpayer's equity interest in the property, the taxpayer shall thereafter pay the annual interest due on such deferred taxes plus interest so that total deferred taxes plus interest will not exceed such 80% of the taxpayer's equity interest in the property. Effective as of the January 1, 2011 assessment year or tax year 2012 and through the 2021 tax year, and beginning again with the 2026 tax year, the total amount of any such deferral shall not exceed \$5,000 per taxpayer in each tax year. For the 2022 tax year through the 2025 tax year, the total amount of any such deferral shall not exceed \$7,500 per taxpayer in each tax year.

(2) That any real estate taxes deferred under this Act and any interest accrued thereon ~~at the rate of 6% per year~~ are a lien on the real estate and improvements thereon until paid. If the taxes deferred are for a tax year prior to 2023, then interest shall accrue at the rate of 6% per year. If the taxes deferred are for the 2023 tax year or any tax year thereafter, then interest shall accrue at the rate of 3% per year. No sale or transfer of such real property may be legally closed and recorded until the taxes which would otherwise have been due on the property, plus accrued interest, have been paid unless the collector certifies in writing that an arrangement for prompt payment of the amount due has been made with his office. The same shall apply if the property is to be made the subject of a contract of sale.

(3) That upon the death of the taxpayer claiming the

deferral the heirs-at-law, assignees or legatees shall have first priority to the real property upon which taxes have been deferred by paying in full the total taxes which would otherwise have been due, plus interest. However, if such heir-at-law, assignee, or legatee is a surviving spouse, the tax deferred status of the property shall be continued during the life of that surviving spouse if the spouse is 55 years of age or older within 6 months of the date of death of the taxpayer and enters into a tax deferral and recovery agreement before the time when deferred taxes become due under this Section. Any additional taxes deferred, plus interest, on the real property under a tax deferral and recovery agreement signed by a surviving spouse shall be added to the taxes and interest which would otherwise have been due, and the payment of which has been postponed during the life of such surviving spouse, in determining the 80% equity requirement provided by this Section.

(4) That if the taxes due, plus interest, are not paid by the heir-at-law, assignee or legatee or if payment is not postponed during the life of a surviving spouse, the deferred taxes and interest shall be recovered from the estate of the taxpayer within one year of the date of his death. In addition, deferred real estate taxes and any interest accrued thereon are due within 90 days after any tax deferred property ceases to be qualifying property as defined in Section 2.

If payment is not made when required by this Section,

foreclosure proceedings may be instituted under the Property Tax Code.

(5) That any joint owner has given written prior approval for such agreement, which written approval shall be made a part of such agreement.

(6) That a guardian for a person under legal disability appointed for a taxpayer who otherwise qualifies under this Act may act for the taxpayer in complying with this Act.

(7) That a taxpayer or his agent has provided to the satisfaction of the collector, sufficient evidence that the qualifying property on which the taxes are to be deferred is insured against fire or casualty loss for at least the total amount of taxes which have been deferred.

If the taxes to be deferred are special assessments, the unit of local government making the assessments shall forward a copy of the agreement entered into pursuant to this Section and the bills for such assessments to the county collector of the county in which the qualifying property is located.

(Source: P.A. 102-644, eff. 8-27-21.)

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