

AN ACT concerning taxes.

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

Section 5. The Property Tax Code is amended by changing Sections 27-25, 27-40, 27-45, and 27-75 as follows:

(35 ILCS 200/27-25)

Sec. 27-25. Form of hearing notice. Taxes may be levied or imposed by the municipality or county in the special service area at a rate or amount of tax sufficient to produce revenues required to provide the special services. Prior to the first levy of taxes in the special service area, notice shall be given and a hearing shall be held under the provisions of Sections 27-30 and 27-35. For purposes of this Section the notice shall include:

(a) The time and place of hearing;

(b) The boundaries of the area by legal description and, where possible, by street location, ~~where possible;~~

(c) The permanent tax index number of each parcel located within the area;

(d) The nature of the proposed special services to be provided within the special service area and a statement as to whether the proposed special services are for new construction, maintenance, or other purposes;

(e) ~~(e)~~ A notification that all interested persons, including all persons owning taxable real property located within the special service area, will be given an opportunity to be heard at the hearing regarding the tax levy and an opportunity to file objections to the amount of the tax levy if the tax is a tax upon property; and

(f) ~~(d)~~ The maximum rate of taxes to be extended within the special service area in any year and the ~~may include a~~ maximum number of years taxes will be levied if a maximum

number of years is to be established.

After the first levy of taxes within the special service area, taxes may continue to be levied in subsequent years without the requirement of an additional public hearing if the tax rate does, ~~taxes may be extended against the special service area for the services specified without additional hearings. However, the taxes shall~~ not exceed the rate specified in the notice for the original public hearing notice and ~~if a maximum number of years is specified in the notice,~~ the taxes are ~~shall~~ not ~~be~~ extended for a longer period than the number of years specified in the notice if a number of years is specified. Tax rates may be increased and the period specified may be extended, if notice is given and new public hearings are held in accordance with Sections 27-30 and 27-35.

(Source: P.A. 82-640; 88-455.)

(35 ILCS 200/27-40)

Sec. 27-40. Boundaries of special service area. No lien shall be established against any real property in a special service area nor shall a special service area create a valid tax before a certified copy of an ordinance establishing or altering the boundaries of a special service area, containing a legal description of the territory of the area, the permanent tax index numbers of the parcels located within the territory of the area, an accurate map of the territory, a copy of the notice of the public hearing, and a description of the special services to be provided is filed for record in the office of the recorder in each county in which any part of the area is located. The ordinance must be recorded no later than 60 days after the date the ordinance was adopted. An ordinance establishing a special service area recorded beyond the 60 days is not valid. The requirement for recording within 60 days shall not apply to any establishment or alteration of the boundaries of a service area that occurred before September 23, 1991.

(Source: P.A. 90-218, eff. 7-25-97.)

(35 ILCS 200/27-45)

Sec. 27-45. Issuance of bonds. Bonds secured by the full faith and credit of the area included in the special service area may be issued for providing the special services. Bonds, when so issued, shall be retired by the levy of taxes in addition to the taxes specified in Section 27-25 against all of the taxable real property included in the area as provided in the ordinance authorizing the issuance of the bonds or by the imposition of another tax within the special service area. The county clerk shall annually extend taxes against all of the taxable property situated in the county and contained in such special service area in amounts sufficient to pay maturing principal and interest of those bonds without limitation as to rate or amount and in addition to and in excess of any taxes that may now or hereafter be authorized to be levied by the municipality or county. Prior to the issuance of those bonds, notice shall be given and a hearing shall be held pursuant to the provisions of Sections 27-30 and 27-35. For purposes of this Section a notice shall include:

(a) The time and place of hearing;

(b) The boundaries of the area by legal description and, where possible, by street location, ~~where possible;~~

(c) The permanent tax index number of each parcel located within the area;

(d) The nature of the special services to be provided within the proposed special service area and a statement as to whether the proposed special services are for new construction, maintenance, or other purposes;

(e) If the special services are to be maintained other than by the municipality or the county after the life of the bonds, then a statement indicating who will be responsible for maintenance of the special services after the life of the bonds;

(f) ~~(e)~~ A notification that all interested persons, including all persons owning taxable property located

within the special service area, will be given an opportunity to be heard at the hearing regarding the issuance of the bonds and an opportunity to file objections to the issuance of the bonds; and

(g) ~~(d)~~ The maximum amount of bonds proposed to be issued, the maximum period of time over which the bonds will be retired, and the maximum interest rate the bonds will bear.

The question of the creation of a special service area, the levy or imposition of a tax in the special service area and the issuance of bonds for providing special services may all be considered together at one hearing.

Any bonds issued shall not exceed the number of bonds, the interest rate and the period of extension set forth in the notice, unless an additional hearing is held. Bonds issued pursuant to this Article shall not be regarded as indebtedness of the municipality or county, as the case may be, for the purpose of any limitation imposed by any law.

(Source: P.A. 82-640; 88-455.)

(35 ILCS 200/27-75)

Sec. 27-75. Extension of tax levy. If a property tax is levied, the tax shall be extended by the county clerk in the special service area in the manner provided by Articles 1 through 26 of this Code based on equalized assessed values as established under Articles 1 through 26. The municipality or county shall file a certified copy of the ordinance creating the special service area, including an accurate map thereof, a copy of the public hearing notice, and a description of the special services to be provided, with the county clerk. The corporate authorities of the municipality or county may levy taxes in the special service area prior to the date the levy must be filed with the county clerk, for the same year in which the ordinance and map are filed with the county clerk. In addition, the corporate authorities shall file a certified copy of each ordinance levying taxes in the special service area on

or before the last Tuesday of December of each year and shall file a certified copy of any ordinance authorizing the issuance of bonds and providing for a property tax levy in the area by December 31 of the year of the first levy.

In lieu of or in addition to an ad valorem property tax, a special tax may be levied and extended within the special service area on any other basis that provides a rational relationship between the amount of the tax levied against each lot, block, tract and parcel of land in the special service area and the special service benefit rendered. In that case, a special tax roll shall be prepared containing: (a) a description of the special services to be provided, (b) an explanation of the method of spreading the special tax, (c) ~~(b)~~ a list of lots, blocks, tracts and parcels of land in the special service area, and (d) ~~(e)~~ the amount assessed against each. The special tax roll shall be included in the ordinance establishing the special service area or in an amendment of the ordinance, and shall be filed with the county clerk for use in extending the tax. The lien and foreclosure remedies provided in Article 9 of the Illinois Municipal Code shall apply upon non-payment of the special tax.

As an alternative to an ad valorem tax based on the whole equalized assessed value of the property, the corporate authorities may provide for the ad valorem tax to be extended solely upon the equalized assessed value of the land in a special service area, without regard to improvements, if the equalized assessed value of the land in the special service area is at least 75% of the total of the whole equalized assessed value of property within the special service area at the time that it was established. If the corporate authorities choose to provide for this method of taxation on the land value only, then each notice given in connection with the special service area must include a statement in substantially the following form: "The taxes to be extended shall be upon the equalized assessed value of the land in the proposed special service area, without regard to improvements.

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(Source: P.A. 83-1245; 88-455.)

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