

AN ACT concerning revenue.

**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 Section 11-145 and by adding Division 5 to Article 11 as follows:

(35 ILCS 200/11-145)

Sec. 11-145. Method of valuation for qualifying water treatment facilities. To determine 33 1/3% of the fair cash value of any qualifying water treatment facility in assessing the facility, the Department shall take into consideration the probable net value that could be realized by the owner if the facility were removed and sold at a fair, voluntary sale, giving due account to the expense of removal, site restoration, and transportation. The net value shall be considered to be 33 1/3% of fair cash value. The valuation under this Section applies only to the qualifying water treatment facility itself and not to the land on which the facility is located.

(Source: P.A. 92-278, eff. 1-1-02.)

(35 ILCS 200/Art. 11 Div. 5 heading new)

Division 5. Regional wastewater facilities

(35 ILCS 200/11-175 new)

Sec. 11-175. Legislative findings. The General Assembly finds that it is the policy of the State to ensure and encourage the availability of means for the safe collection, treatment, and disposal of domestic, commercial, and industrial sewage and waste for our cities, villages, towns, and rural residents and that it has become increasingly difficult and cost prohibitive for smaller cities, towns, and villages to construct, maintain, or operate, to current standards, wastewater facilities. The General Assembly further finds that regional facilities capable of serving several cities, villages, towns, municipal joint sewage treatment agencies, municipal sewer commissions, sanitary districts, and rural wastewater companies offer a viable economic solution to this concern. For these reasons, the General Assembly declares it to be the policy of the State to encourage the construction and operation of regional wastewater facilities capable of providing for the safe collection, treatment, and disposal of domestic, commercial, and industrial sewage and waste for cities, villages, towns, municipal joint sewage treatment agencies, municipal sewer commissions, sanitary districts, and rural wastewater companies thereby relieving the burden on those entities and their citizens from constructing and maintaining their own individual wastewater facilities.

(35 ILCS 200/11-180 new)

Sec. 11-180. Definitions. As used in this Division:

"Department" means the Department of Revenue.

"Municipal joint sewage treatment agency" means a municipal joint sewage treatment agency organized and existing under the Intergovernmental Cooperation Act.

"Municipal sewer commission" means a sewer commission organized and existing under Division 136 of Article 11 Illinois Municipal Code.

"Not-for-profit corporation" means an Illinois corporation organized and existing under the General Not For Profit Corporation Act of 1986 that is in good standing with the State and has been granted status as an exempt organization under Section 501(c) of the Internal Revenue Code or any successor or similar provision of the Internal Revenue Code.

"Qualifying wastewater facility" means a wastewater facility that collects, treats, or disposes of domestic, commercial, and industrial sewage and waste on behalf of the corporation's members on a mutual or cooperative and not-for-profit basis and that is owned by a not-for-profit corporation whose members consist exclusively of one or more incorporated cities, villages, or towns of this State, municipal joint sewage treatment agencies, municipal sewer commissions, sanitary districts, or rural wastewater companies.

"Rural wastewater company" means a not-for-profit

corporation whose primary purpose is to own, maintain, and operate a system for the collection, treatment, and disposal of sewage and industrial waste from residences, farms, or businesses exclusively in the State of Illinois and not otherwise served by any city, village, town, municipal joint sewage treatment agency, municipal sewer commission, or sanitary district.

"Sanitary district" means a sanitary district organized and existing under the Sanitary District Act of 1907.

"Wastewater facility" means a plant or facility whose primary function is to collect, treat, or dispose of domestic, commercial, and industrial sewage and waste, together with all other real and personal property reasonably necessary to collect, treat, or dispose of the sewage and waste.

(35 ILCS 200/11-185 new)

Sec. 11-185. Valuation of qualifying wastewater facilities. For purposes of computing the assessed valuation, qualifying wastewater facilities shall be valued at 33 1/3% of the fair cash value of the facility. To determine 33 1/3% of the fair cash value of a qualifying wastewater facility, the Department shall take into consideration the probable net value that could be realized by the owner if the facility were removed and sold at a fair, voluntary sale, giving due account to the expenses incurred for removal, site restoration, and transportation. The valuation under this Section applies only

to the qualifying wastewater facility itself and not to the land on which the facility is located.

(35 ILCS 200/11-190 new)

Sec. 11-190. Exclusion of for-profit wastewater facilities. This Division does not apply to a wastewater facility that collects, treats, or disposes of domestic, commercial, and industrial sewage and waste for profit.

(35 ILCS 200/11-195 new)

Sec. 11-195. Assessment authority. For assessment purposes, a qualifying wastewater facility shall provide proof of a valid facility number issued by the Illinois Environmental Protection Agency and shall be assessed by the Department.

(35 ILCS 200/11-200 new)

Sec. 11-200. Application procedure; assessment by the Department. Applications for assessment as a qualifying wastewater facility shall be filed with the Department in the manner and form prescribed by the Department. The application shall contain appropriate documentation that the applicant has been issued a valid facility number by the Illinois Environmental Protection Agency and is entitled to tax treatment under this Division. The effective date of an assessment shall be on the January 1 preceding the date of

approval by the Department or preceding the date construction or installation of the facility commences, whichever is later.

(35 ILCS 200/11-205 new)

Sec. 11-205. Procedures for assessment; judicial review. Proceedings for assessment or reassessment of property certified to be a qualifying wastewater facility shall be conducted in accordance with procedural rules adopted by the Department and in conformity with this Code.

Any applicant or holder aggrieved by the issuance, refusal to issue, denial, revocation, modification, or restriction of an assessment as a qualifying wastewater facility may appeal the final administrative decision of the Department of Revenue under the Administrative Review Law.

(35 ILCS 200/11-210 new)

Sec. 11-210. Rulemaking. The Department may adopt rules for the implementation of this Division.

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