



Rep. Norma Hernandez

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10300HB1377ham002

LRB103 04775 HLH 71349 a

1 AMENDMENT TO HOUSE BILL 1377

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 1377 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Property Tax Code is amended by adding  
5 Section 15-174.5 as follows:

6 (35 ILCS 200/15-174.5 new)

7 Sec. 15-174.5. Special homestead exemption for certain  
8 municipality-built homes.

9 (a) This Section applies to property located in a county  
10 with 3,000,000 or more inhabitants. This Section also applies  
11 to property located in a county with fewer than 3,000,000  
12 inhabitants if the county board of that county has so provided  
13 by ordinance or resolution.

14 (b) For tax year 2024 and thereafter, eligible property  
15 qualifies for a homestead exemption under this Section for a  
16 10-year period beginning with the tax year following the year

1 in which the property is first sold by the municipality to a  
2 private homeowner. Eligible property is not eligible for a  
3 refund of taxes paid for tax years prior to the year in which  
4 this amendatory Act of the 103rd General Assembly takes  
5 effect. In the case of mixed-use property, the exemption under  
6 this Section applies only to the residential portion of the  
7 property that is used as a primary residence by the owner.

8 (c) The exemption under this Section shall be a reduction  
9 in the equalized assessed value of the property equal to:

10 (1) in the first 8 years of eligibility, 50% of the  
11 equalized assessed value of the property in the year  
12 following the initial sale by the municipality; and

13 (2) in the ninth and tenth years of eligibility, 33%  
14 of the equalized assessed value of the property in the  
15 year following the initial sale by the municipality.

16 (d) A homeowner seeking the exemption under this Section  
17 shall file an application with the chief county assessment  
18 officer. Once approved by the assessor, the exemption shall  
19 renew annually and automatically without another application,  
20 unless the exemption is waived by the current homeowner as  
21 provided in this subsection. The exemption under this Section  
22 is transferable to new owners of the home, provided that (i)  
23 the exemption runs from the sale of the property by a  
24 municipality to the first private owner, (ii) the new owner  
25 notifies the assessor that they have taken possession of the  
26 property, and (iii) the property is used by the owner as their

1 principal residence. A property owner who has received a  
2 reduction under this Section may waive the exemption at any  
3 time prior to the expiration of the 10-year exemption period  
4 and begin to receive the benefits of other exemptions at their  
5 sole and irrevocable discretion. Owners who decide to waive  
6 the exemption shall notify the assessor on a form provided by  
7 the assessor. The current property owner shall notify the  
8 assessor and waive the exemption if the property ceases to be  
9 their primary residence.

10 (e) Notwithstanding any other provision of law, no  
11 property that receives an exemption under this Section may  
12 simultaneously receive a reduction or exemption under Section  
13 15-168 (persons with disabilities), Section 15-169 (standard  
14 homestead for veterans with disabilities); Section 15-170  
15 (senior citizens), Section 15-172 (low-income senior  
16 citizens), or Section 15-175 (general homestead). In the first  
17 year following the expiration or waiver of the exemption under  
18 this Section, a property owner that is eligible for the  
19 Low-Income Senior Citizen Assessment Freeze exemption in that  
20 year may establish a base amount under Section 15-172 at the  
21 value of their home in their first year of eligibility for that  
22 exemption during the time when they were receiving this  
23 exemption, provided that they demonstrate retrospectively that  
24 they were eligible for that exemption at that point in time  
25 while receiving this exemption.

26 (f) As used in this Section:

1 "Eligible property" means property that:

2 (1) contains a single family residence that was built  
3 no earlier than January 1, 2021 by a municipality and was  
4 sold to a private homeowner before January 1, 2035;

5 (2) is zoned for residential or mixed use; and

6 (3) meets either or both of the following criteria:

7 (A) the property was exempt from property taxes  
8 prior to the construction of the home; or

9 (B) the municipality conducted environmental  
10 remediation on the property pursuant to  
11 Title XVII of the Environmental Protection  
12 Act.

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