



## 103RD GENERAL ASSEMBLY

### State of Illinois

### 2023 and 2024

#### HB4354

Introduced 1/16/2024, by Rep. Tom Weber

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-161 new  
35 ILCS 200/18-233

Amends the Property Tax Code. Provides that, beginning in taxable year 2024, no taxing district, other than a home rule unit, may levy a tax on any parcel of real property that is more than 105% of the base amount unless (i) the increase is attributable to substantial improvements to the property, (ii) the taxing district did not levy a tax against the property in the previous taxable year, or (iii) the increase is attributable to a special service area. Provides that "base amount" means the tax levied by the taxing district on the subject property in the immediately preceding taxable year, except that, if the property received a homestead exemption in the immediately preceding taxable year and is not eligible for that exemption in the current taxable year, then the base amount shall be the tax that would have been levied by the taxing district on the subject property in the immediately preceding taxable year if the homestead exemption had not been applied. Provides that a taxing district may elect to be exempt from those provisions for one or more taxable years if the exemption is approved by referendum. Effective immediately.

LRB103 35392 HLH 66000 b

1 AN ACT concerning revenue.

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

4 Section 5. The Property Tax Code is amended by changing  
5 Section 18-233 and by adding Section 18-161 as follows:

6 (35 ILCS 200/18-161 new)

7 Sec. 18-161. Taxing district extension limitation.

8 (a) Notwithstanding any other provision of law, beginning  
9 in taxable year 2024, no taxing district may levy a tax on any  
10 parcel of real property under this Code that is more than 105%  
11 of the base amount unless (i) the increase is attributable to  
12 substantial improvements to the property, (ii) the taxing  
13 district did not levy a tax against the property in the  
14 previous taxable year, or (iii) the increase is attributable  
15 to a special service area. The limitation under this Section  
16 includes any increase attributable to an adjustment under  
17 Section 18-233.

18 (b) A taxing district may elect to be exempt from the  
19 provisions of subsection (a) for one or more taxable years if  
20 the exemption is approved by a referendum held before January  
21 1 of the first taxable year during which the exemption  
22 applies. Referenda shall be conducted at a regularly scheduled  
23 election held in accordance with the Election Code. The

1 question shall be presented in substantially the following  
2 form:

3 "For (taxable years), shall (taxing district) be  
4 exempt from the provisions of Section 18-161 of the  
5 Property Tax Code, which limits increases in the taxes  
6 levied by the taxing against real property to 5% per  
7 taxable year?"

8 The taxing district may include the following as  
9 supplemental information on the ballot:

10 "A "yes" vote means that (taxing district) would be  
11 allowed to increase the amount of taxes levied against  
12 each parcel of property by more than 5%."

13 The votes must be recorded as "Yes" or "No".

14 If a majority of voters voting on the issue approves the  
15 exemption, then the taxing district shall be exempt from the  
16 provisions of this Section for the taxable years specified.

17 (c) As used in this Section:

18 "Base amount" means the tax levied by the taxing district  
19 on the subject property in the immediately preceding taxable  
20 year, except that, if the property received a homestead  
21 exemption under Article 15 in the immediately preceding  
22 taxable year and is not eligible for that exemption in the  
23 current taxable year, then the base amount shall be the tax  
24 that would have been levied by the taxing district on the  
25 subject property in the immediately preceding taxable year if  
26 the homestead exemption had not been applied.

1       "Taxing district" has the same meaning provided in Section  
2       1-150, except that "taxing district" does not include home  
3       rule units.

4           (35 ILCS 200/18-233)

5       Sec. 18-233. Adjustments for certificates of error,  
6       certain court orders, or final administrative decisions of the  
7       Property Tax Appeal Board. Subject to the provisions of  
8       Section 18-161, beginning ~~Beginning~~ in levy year 2021, a  
9       taxing district levy shall be increased by a prior year  
10      adjustment whenever an assessment decrease due to the issuance  
11      of a certificate of error, a court order issued pursuant to an  
12      assessment valuation complaint under Section 23-15, or a final  
13      administrative decision of the Property Tax Appeal Board  
14      results in a refund from the taxing district of a portion of  
15      the property tax revenue distributed to the taxing district.  
16      On or before November 15 of each year, the county treasurer  
17      shall certify the aggregate refunds paid by a taxing district  
18      during such 12-month period for purposes of this Section. For  
19      purposes of the Property Tax Extension Limitation Law, the  
20      taxing district's most recent aggregate extension base shall  
21      not include the prior year adjustment authorized under this  
22      Section. For levy year 2024 and thereafter, an adjustment  
23      under this Section, when coupled with all other levy increases  
24      imposed by the taxing district, may not cause the tax imposed  
25      by that taxing district on any parcel of real property to

1 exceed the limitation set forth in Section 18-161 for that  
2 taxing district.

3 (Source: P.A. 102-519, eff. 8-20-21.)

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