

HB4636



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB4636

Introduced 1/31/2024, by Rep. Jay Hoffman

SYNOPSIS AS INTRODUCED:

35 ILCS 200/9-45
35 ILCS 200/11-15

Amends the Property Tax Code. Provides that property that is used for a petroleum refinery may be the subject of a real property tax assessment settlement agreement among the taxpayer and taxing districts in which the property is situated. Makes changes concerning the valuation of pollution control facilities. Effective immediately.

LRB103 38201 HLH 68335 b

A BILL FOR

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 Sections 9-45 and 11-15 as follows:

6 (35 ILCS 200/9-45)

7 Sec. 9-45. Property index number system. The county clerk
8 in counties of 3,000,000 or more inhabitants and, subject to
9 the approval of the county board, the chief county assessment
10 officer or recorder, in counties of less than 3,000,000
11 inhabitants, may establish a property index number system
12 under which property may be listed for purposes of assessment,
13 collection of taxes or automation of the office of the
14 recorder. The system may be adopted in addition to, or instead
15 of, the method of listing by legal description as provided in
16 Section 9-40. The system shall describe property by township,
17 section, block, and parcel or lot, and may cross-reference the
18 street or post office address, if any, and street code number,
19 if any. The county clerk, county treasurer, chief county
20 assessment officer or recorder may establish and maintain
21 cross indexes of numbers assigned under the system with the
22 complete legal description of the properties to which the
23 numbers relate. Index numbers shall be assigned by the county

1 clerk in counties of 3,000,000 or more inhabitants, and, at
2 the direction of the county board in counties with less than
3 3,000,000 inhabitants, shall be assigned by the chief county
4 assessment officer or recorder. Tax maps of the county clerk,
5 county treasurer or chief county assessment officer shall
6 carry those numbers. The indexes shall be open to public
7 inspection and be made available to the public. Any property
8 index number system established prior to the effective date of
9 this Code shall remain valid. However, in counties with less
10 than 3,000,000 inhabitants, the system may be transferred to
11 another authority upon the approval of the county board.

12 Any real property used for a power generating or
13 automotive manufacturing facility located within a county of
14 less than 1,000,000 inhabitants, as to which litigation with
15 respect to its assessed valuation is pending or was pending as
16 of January 1, 1993, may be the subject of a real property tax
17 assessment settlement agreement among the taxpayer and taxing
18 districts in which it is situated. In addition, any real
19 property that is located in a county with fewer than 1,000,000
20 inhabitants and (i) is used for natural gas extraction and
21 fractionation or olefin and polymer manufacturing or (ii) is
22 used for a petroleum refinery and (ii) located within a county
23 ~~of less than 1,000,000 inhabitants~~ may be the subject of a real
24 property tax assessment settlement agreement among the
25 taxpayer and taxing districts in which the property is
26 situated if litigation is or was pending as to its assessed

1 valuation as of January 1, 2003 or thereafter. Other
2 appropriate authorities, which may include county and State
3 boards or officials, may also be parties to such agreements.
4 Such agreements may include the assessment of the facility or
5 property for any years in dispute as well as for up to 10 years
6 in the future. Such agreements may provide for the settlement
7 of issues relating to the assessed value of the facility and
8 may provide for related payments, refunds, claims, credits
9 against taxes and liabilities in respect to past and future
10 taxes of taxing districts, including any fund created under
11 Section 20-35 of this Act, all implementing the settlement
12 agreement. Any such agreement may provide that parties thereto
13 agree not to challenge assessments as provided in the
14 agreement. An agreement entered into on or after January 1,
15 1993 may provide for the classification of property that is
16 the subject of the agreement as real or personal during the
17 term of the agreement and thereafter. It may also provide that
18 taxing districts agree to reimburse the taxpayer for amounts
19 paid by the taxpayer in respect to taxes for the real property
20 which is the subject of the agreement to the extent levied by
21 those respective districts, over and above amounts which would
22 be due if the facility were to be assessed as provided in the
23 agreement. Such reimbursement may be provided in the agreement
24 to be made by credit against taxes of the taxpayer. No credits
25 shall be applied against taxes levied with respect to debt
26 service or lease payments of a taxing district. No referendum

1 approval or appropriation shall be required for such an
2 agreement or such credits and any such obligation shall not
3 constitute indebtedness of the taxing district for purposes of
4 any statutory limitation. The county collector shall treat
5 credited amounts as if they had been received by the collector
6 as taxes paid by the taxpayer and as if remitted to the
7 district. A county treasurer who is a party to such an
8 agreement may agree to hold amounts paid in escrow as provided
9 in the agreement for possible use for paying taxes until
10 conditions of the agreement are met and then to apply these
11 amounts as provided in the agreement. No such settlement
12 agreement shall be effective unless it shall have been
13 approved by the court in which such litigation is pending. Any
14 such agreement which has been entered into prior to adoption
15 of this amendatory Act of 1988 and which is contingent upon
16 enactment of authorizing legislation shall be binding and
17 enforceable.

18 (Source: P.A. 96-609, eff. 8-24-09.)

19 (35 ILCS 200/11-15)

20 Sec. 11-15. Method of valuation for pollution control
21 facilities. To determine 33 1/3% of the fair cash value of any
22 certified pollution control device ~~facilities in assessing~~
23 ~~those facilities~~, the Department shall determine the ~~take into~~
24 ~~consideration the actual or probable net earnings attributable~~
25 ~~to the facilities in question, capitalized on the basis of~~

1 ~~their productive earning value to their owner; the probable~~
2 net value that ~~which~~ could be realized by its ~~their~~ owner if
3 the facilities were removed and sold at a fair, voluntary
4 sale, giving due account to the expense of removal site
5 restoration, and transportation. The property's net value
6 shall be considered to be 33 1/3% of the fair cash value and
7 ~~condition of the particular facilities in question; and other~~
8 ~~information as the Department may consider as bearing on the~~
9 ~~fair cash value of the facilities to their owner, consistent~~
10 ~~with the principles set forth in this Section. For the~~
11 ~~purposes of this Code, earnings shall be attributed to a~~
12 ~~pollution control facility only to the extent that its~~
13 ~~operation results in the production of a commercially saleable~~
14 ~~by-product or increases the production or reduces the~~
15 ~~production costs of the products or services otherwise sold by~~
16 ~~the owner of such facility.~~

17 (Source: P.A. 83-121; 88-455.)

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