



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB1293

Introduced 2/3/2023, by Sen. Christopher Belt

SYNOPSIS AS INTRODUCED:

20 ILCS 2505/2505-810 new

Amends the Department of Revenue Law of the Civil Administrative Code of Illinois. Provides that the Department of Revenue shall reimburse eligible taxing districts for revenue loss associated with providing homestead exemptions for veterans with disabilities. Specifies that a taxing district is eligible for reimbursement if application of the homestead exemptions for veterans with disabilities results in reduction in the total equalized assessed value of all taxable property in the taxing district in which the taxing district is located of more than 2.5% for the taxable year that is 2 years before the start of the State fiscal year in which the application for reimbursement is made and the taxing district is located in whole or in part in a county that contains a United States military base. Provides that the aggregate amount of reimbursements for all taxing districts in any calendar year may not exceed \$15,000,000. Sets forth the amount of the reimbursement. Effective immediately.

LRB103 29034 HLH 55420 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 Department of Revenue Law of the Civil
5 Administrative Code of Illinois is amended by adding Section
6 2505-810 as follows:

7 (20 ILCS 2505/2505-810 new)

8 Sec. 2505-810. Veterans Property Tax Relief Reimbursement
9 Pilot Program.

10 (a) Subject to appropriation, for State fiscal years that
11 begin on or after July 1, 2023 and before July 1, 2028, the
12 Department shall establish and administer a Veterans Property
13 Tax Relief Reimbursement Pilot Program. For purposes of the
14 Program, the Department shall reimburse eligible taxing
15 districts, in an amount calculated under subsection (c), for
16 revenue loss associated with providing homestead exemptions to
17 veterans with disabilities. A taxing district is eligible for
18 reimbursement under this Section if (i) application of the
19 homestead exemptions for veterans with disabilities under
20 Sections 15-165 and 15-169 of the Property Tax Code results in
21 a cumulative reduction of more than 2.5% in the total
22 equalized assessed value of all taxable property in the taxing
23 district, when compared with the total equalized assessed

1 value of all taxable property in the taxing district prior to
2 the application of those exemptions, for the taxable year that
3 is 2 years before the start of the State fiscal year in which
4 the application for reimbursement is made and (ii) the taxing
5 district is located in whole or in part in a county that
6 contains a United States military base. Reimbursement payments
7 shall be made to the county that applies to the Department of
8 Revenue on behalf of the taxing district under subsection (b)
9 and shall be distributed by the county to the taxing district
10 as directed by the Department of Revenue.

11 (b) If the county clerk determines that that one or more
12 taxing districts located in whole or in part in the county
13 qualify for reimbursement under this Section, then the county
14 clerk shall apply to the Department of Revenue on behalf of the
15 taxing district for reimbursement under this Section in the
16 form and manner required by the Department. The county clerk
17 shall consolidate applications submitted on behalf of more
18 than one taxing district into a single application. The
19 Department of Revenue may audit the information submitted by
20 the county clerk as part of the application under this Section
21 for the purpose of verifying the accuracy of that information.

22 (c) Subject to the maximum aggregate reimbursement amount
23 set forth in this subsection, the amount of the reimbursement
24 shall be as follows:

25 (1) for reimbursements awarded for the fiscal year
26 that begins on July 1, 2023, 50% of the difference

1 between: (1) 97.5% of the amount of property tax revenue
2 that would have been required to be collected and
3 distributed to the taxing district for taxable year 2021
4 if the homestead exemptions for veterans with disabilities
5 under Sections 15-165 and 15-169 of the Property Tax Code
6 had not been applied; and (2) the amount of property tax
7 revenue that was required to be collected and distributed
8 to the taxing district for taxable year 2021 after the
9 application of those exemptions; and

10 (2) for reimbursements awarded for fiscal years that
11 begin on or after July 1, 2024 and before July 1, 2028,
12 100% of the difference between: (1) 97.5% of the amount of
13 property tax revenue that would have been required to be
14 collected and distributed to the taxing district for the
15 taxable year that falls 2 years before the start of the
16 State fiscal year if the homestead exemptions for veterans
17 with disabilities under Sections 15-165 and 15-169 of the
18 Property Tax Code had not been applied; and (2) the amount
19 of property tax revenue that was required to be collected
20 and distributed to the taxing district for that taxable
21 year.

22 The aggregate amount of reimbursements that may be awarded
23 under this Section for all taxing districts in any calendar
24 year may not exceed \$15,000,000. If the total amount of
25 eligible reimbursements under this Section exceeds \$15,000,000
26 in any calendar year, then the reimbursement amount awarded to

1 each particular taxing district shall be reduced on a pro rata
2 basis until the aggregate amount of reimbursements awarded
3 under this Section for the calendar year does not exceed
4 \$15,000,000.

5 (d) The Department of Revenue may adopt rules necessary
6 for the implementation of this Section.

7 (e) As used in this Section:

8 "Taxable year" means the calendar year during which
9 property taxes payable in the next succeeding year are levied.

10 "Taxing district" has the meaning given to that term in
11 Section 1-150 of the Property Tax Code.

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