

# SB2878



## 103RD GENERAL ASSEMBLY

### State of Illinois

2023 and 2024

SB2878

Introduced 1/24/2024, by Sen. Laura Ellman

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-170

Amends the Property Tax Code. In provisions concerning the senior citizens homestead exemption, permanently removes the requirement to reapply for the exemption in counties with 3,000,000 or more inhabitants (currently, that requirement was eliminated only for taxable years 2019 through 2023). In counties with less than 3,000,000 inhabitants, provides that, if the county board passes a resolution removing the requirement to reapply for the exemption, the chief county assessment official shall conduct, by no later than December 31 of the first year of each reassessment cycle, an audit of all senior citizen homestead exemptions granted for the preceding reassessment cycle.

LRB103 35657 HLH 65732 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 Section 15-170 as follows:

6 (35 ILCS 200/15-170)

7 Sec. 15-170. Senior citizens homestead exemption.

8 (a) An annual homestead exemption limited, except as  
9 described here with relation to cooperatives or life care  
10 facilities, to a maximum reduction set forth below from the  
11 property's value, as equalized or assessed by the Department,  
12 is granted for property that is occupied as a residence by a  
13 person 65 years of age or older who is liable for paying real  
14 estate taxes on the property and is an owner of record of the  
15 property or has a legal or equitable interest therein as  
16 evidenced by a written instrument, except for a leasehold  
17 interest, other than a leasehold interest of land on which a  
18 single family residence is located, which is occupied as a  
19 residence by a person 65 years or older who has an ownership  
20 interest therein, legal, equitable or as a lessee, and on  
21 which he or she is liable for the payment of property taxes.  
22 Before taxable year 2004, the maximum reduction shall be  
23 \$2,500 in counties with 3,000,000 or more inhabitants and

1 \$2,000 in all other counties. For taxable years 2004 through  
2 2005, the maximum reduction shall be \$3,000 in all counties.  
3 For taxable years 2006 and 2007, the maximum reduction shall  
4 be \$3,500. For taxable years 2008 through 2011, the maximum  
5 reduction is \$4,000 in all counties. For taxable year 2012,  
6 the maximum reduction is \$5,000 in counties with 3,000,000 or  
7 more inhabitants and \$4,000 in all other counties. For taxable  
8 years 2013 through 2016, the maximum reduction is \$5,000 in  
9 all counties. For taxable years 2017 through 2022, the maximum  
10 reduction is \$8,000 in counties with 3,000,000 or more  
11 inhabitants and \$5,000 in all other counties. For taxable  
12 years 2023 and thereafter, the maximum reduction is \$8,000 in  
13 counties with 3,000,000 or more inhabitants and counties that  
14 are contiguous to a county of 3,000,000 or more inhabitants  
15 and \$5,000 in all other counties.

16 (b) For land improved with an apartment building owned and  
17 operated as a cooperative, the maximum reduction from the  
18 value of the property, as equalized by the Department, shall  
19 be multiplied by the number of apartments or units occupied by  
20 a person 65 years of age or older who is liable, by contract  
21 with the owner or owners of record, for paying property taxes  
22 on the property and is an owner of record of a legal or  
23 equitable interest in the cooperative apartment building,  
24 other than a leasehold interest. For land improved with a life  
25 care facility, the maximum reduction from the value of the  
26 property, as equalized by the Department, shall be multiplied

1 by the number of apartments or units occupied by persons 65  
2 years of age or older, irrespective of any legal, equitable,  
3 or leasehold interest in the facility, who are liable, under a  
4 contract with the owner or owners of record of the facility,  
5 for paying property taxes on the property. In a cooperative or  
6 a life care facility where a homestead exemption has been  
7 granted, the cooperative association or the management firm of  
8 the cooperative or facility shall credit the savings resulting  
9 from that exemption only to the apportioned tax liability of  
10 the owner or resident who qualified for the exemption. Any  
11 person who willfully refuses to so credit the savings shall be  
12 guilty of a Class B misdemeanor. Under this Section and  
13 Sections 15-175, 15-176, and 15-177, "life care facility"  
14 means a facility, as defined in Section 2 of the Life Care  
15 Facilities Act, with which the applicant for the homestead  
16 exemption has a life care contract as defined in that Act.

17 (c) When a homestead exemption has been granted under this  
18 Section and the person qualifying subsequently becomes a  
19 resident of a facility licensed under the Assisted Living and  
20 Shared Housing Act, the Nursing Home Care Act, the Specialized  
21 Mental Health Rehabilitation Act of 2013, the ID/DD Community  
22 Care Act, or the MC/DD Act, the exemption shall continue so  
23 long as the residence continues to be occupied by the  
24 qualifying person's spouse if the spouse is 65 years of age or  
25 older, or if the residence remains unoccupied but is still  
26 owned by the person qualified for the homestead exemption.

1 (d) A person who will be 65 years of age during the current  
2 assessment year shall be eligible to apply for the homestead  
3 exemption during that assessment year. Application shall be  
4 made during the application period in effect for the county of  
5 his residence.

6 (e) Beginning with assessment year 2003, for taxes payable  
7 in 2004, property that is first occupied as a residence after  
8 January 1 of any assessment year by a person who is eligible  
9 for the senior citizens homestead exemption under this Section  
10 must be granted a pro-rata exemption for the assessment year.  
11 The amount of the pro-rata exemption is the exemption allowed  
12 in the county under this Section divided by 365 and multiplied  
13 by the number of days during the assessment year the property  
14 is occupied as a residence by a person eligible for the  
15 exemption under this Section. The chief county assessment  
16 officer must adopt reasonable procedures to establish  
17 eligibility for this pro-rata exemption.

18 (f) The assessor or chief county assessment officer may  
19 determine the eligibility of a life care facility to receive  
20 the benefits provided by this Section, by affidavit,  
21 application, visual inspection, questionnaire or other  
22 reasonable methods in order to ensure ~~insure~~ that the tax  
23 savings resulting from the exemption are credited by the  
24 management firm to the apportioned tax liability of each  
25 qualifying resident. The assessor may request reasonable proof  
26 that the management firm has so credited the exemption.

1           (g) The chief county assessment officer of each county  
2 with less than 3,000,000 inhabitants shall provide to each  
3 person allowed a homestead exemption under this Section a form  
4 to designate any other person to receive a duplicate of any  
5 notice of delinquency in the payment of taxes assessed and  
6 levied under this Code on the property of the person receiving  
7 the exemption. The duplicate notice shall be in addition to  
8 the notice required to be provided to the person receiving the  
9 exemption, and shall be given in the manner required by this  
10 Code. The person filing the request for the duplicate notice  
11 shall pay a fee of \$5 to cover administrative costs to the  
12 supervisor of assessments, who shall then file the executed  
13 designation with the county collector. Notwithstanding any  
14 other provision of this Code to the contrary, the filing of  
15 such an executed designation requires the county collector to  
16 provide duplicate notices as indicated by the designation. A  
17 designation may be rescinded by the person who executed such  
18 designation at any time, in the manner and form required by the  
19 chief county assessment officer.

20           (h) The assessor or chief county assessment officer may  
21 determine the eligibility of residential property to receive  
22 the homestead exemption provided by this Section by  
23 application, visual inspection, questionnaire or other  
24 reasonable methods. The determination shall be made in  
25 accordance with guidelines established by the Department.

26           (i) In counties with 3,000,000 or more inhabitants, for

1 taxable years 2010 through 2018, ~~and beginning again in~~  
2 ~~taxable year 2024~~, each taxpayer who has been granted an  
3 exemption under this Section must reapply on an annual basis.

4 If a reapplication is required, then the chief county  
5 assessment officer shall mail the application to the taxpayer  
6 at least 60 days prior to the last day of the application  
7 period for the county.

8 For taxable years 2019 and thereafter ~~through 2023~~, in  
9 counties with 3,000,000 or more inhabitants, a taxpayer who  
10 has been granted an exemption under this Section need not  
11 reapply. However, if the property ceases to be qualified for  
12 the exemption under this Section in any year for which a  
13 reapplication is not required under this Section, then the  
14 owner of record of the property shall notify the chief county  
15 assessment officer that the property is no longer qualified.  
16 In addition, for taxable years 2019 and thereafter ~~through~~  
17 ~~2023~~, the chief county assessment officer of a county with  
18 3,000,000 or more inhabitants shall enter into an  
19 intergovernmental agreement with the county clerk of that  
20 county and the Department of Public Health, as well as any  
21 other appropriate governmental agency, to obtain information  
22 that documents the death of a taxpayer who has been granted an  
23 exemption under this Section. Notwithstanding any other  
24 provision of law, the county clerk and the Department of  
25 Public Health shall provide that information to the chief  
26 county assessment officer. The Department of Public Health

1 shall supply this information no less frequently than every  
2 calendar quarter. Information concerning the death of a  
3 taxpayer may be shared with the county treasurer. The chief  
4 county assessment officer shall also enter into a data  
5 exchange agreement with the Social Security Administration or  
6 its agent to obtain access to the information regarding deaths  
7 in possession of the Social Security Administration. The chief  
8 county assessment officer shall, subject to the notice  
9 requirements under subsection (m) of Section 9-275, terminate  
10 the exemption under this Section if the information obtained  
11 indicates that the property is no longer qualified for the  
12 exemption. In counties with 3,000,000 or more inhabitants, the  
13 assessor and the county clerk ~~recorder of deeds~~ shall  
14 establish policies and practices for the regular exchange of  
15 information for the purpose of alerting the assessor whenever  
16 the transfer of ownership of any property receiving an  
17 exemption under this Section has occurred. When such a  
18 transfer occurs, the assessor shall mail a notice to the new  
19 owner of the property (i) informing the new owner that the  
20 exemption will remain in place through the year of the  
21 transfer, after which it will be canceled, and (ii) providing  
22 information pertaining to the rules for reapplying for the  
23 exemption if the owner qualifies. In counties with 3,000,000  
24 or more inhabitants, the chief county assessment official  
25 shall conduct, by no later than December 31 of the first year  
26 of each reassessment cycle, as determined by Section 9-220, an



1 audit ~~audits~~ of all exemptions granted under this Section for  
2 the preceding reassessment cycle under this Section ~~no later~~  
3 ~~than December 31, 2022 and no later than December 31, 2024~~. The  
4 audit shall be designed to ascertain whether any senior  
5 homestead exemptions have been granted erroneously. If it is  
6 determined that a senior homestead exemption has been  
7 erroneously applied to a property, the chief county assessment  
8 officer shall make use of the appropriate provisions of  
9 Section 9-275 in relation to the property that received the  
10 erroneous homestead exemption.

11 (j) In counties with less than 3,000,000 inhabitants, the  
12 county board may by resolution provide that if a person has  
13 been granted a homestead exemption under this Section, the  
14 person qualifying need not reapply for the exemption. In  
15 counties in which the county board passes such a resolution,  
16 the chief county assessment official shall conduct, by no  
17 later than December 31 of the first year of each reassessment  
18 cycle, as determined by Section 9-215, an audit of all  
19 exemptions granted for the preceding reassessment cycle under  
20 this Section. The audit shall be designed to ascertain whether  
21 any senior homestead exemptions have been granted erroneously.

22 In counties with less than 3,000,000 inhabitants, if the  
23 assessor or chief county assessment officer requires annual  
24 application for verification of eligibility for an exemption  
25 once granted under this Section, the application shall be  
26 mailed to the taxpayer.

1           (1) The assessor or chief county assessment officer shall  
2 notify each person who qualifies for an exemption under this  
3 Section that the person may also qualify for deferral of real  
4 estate taxes under the Senior Citizens Real Estate Tax  
5 Deferral Act. The notice shall set forth the qualifications  
6 needed for deferral of real estate taxes, the address and  
7 telephone number of county collector, and a statement that  
8 applications for deferral of real estate taxes may be obtained  
9 from the county collector.

10           (m) Notwithstanding Sections 6 and 8 of the State Mandates  
11 Act, no reimbursement by the State is required for the  
12 implementation of any mandate created by this Section.

13           (Source: P.A. 101-453, eff. 8-23-19; 101-622, eff. 1-14-20;  
14 102-895, eff. 5-23-22.)