

1 AN ACT concerning homestead exemptions.

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 15-165 and by adding Section 15-164 as follows:

6 (35 ILCS 200/15-164 new)

7 Sec. 15-164. Homestead exemption; veterans and surviving  
8 spouses.

9 (a) Any real estate that is owned and used by a veteran  
10 as homestead property, as defined in Section 15-175, is  
11 exempt from taxation if (i) the veteran was honorably  
12 discharged with a service-connected total and permanent  
13 disability and a letter from the United States Government or  
14 United States Department of Veterans Affairs or its  
15 predecessor has been issued certifying that the veteran is  
16 totally and permanently disabled and (ii) the veteran is a  
17 permanent resident of this State on January 1 of the tax year  
18 for which the exemption is being claimed.

19 If a totally and permanently disabled veteran predeceases  
20 his or her spouse and if, upon the death of the veteran, the  
21 spouse holds the legal or beneficial title to the homestead  
22 property and permanently resides thereon, the exemption from  
23 taxation carries over to the benefit of the veteran's spouse  
24 until such time as the spouse remarries or sells or otherwise  
25 disposes of the property. If the spouse sells the property,  
26 an exemption not to exceed the exemption amount granted from  
27 the most recent equalized assessed value of the property may  
28 be transferred to the spouse's new residence, as long as it  
29 is used as the spouse's primary residence and the spouse does  
30 not remarry.

31 The filing of a copy of a letter that was issued as

1 required under this subsection with the chief county  
2 assessment officer of the county in which property is located  
3 is prima facie evidence that the veteran or the surviving  
4 spouse is entitled to the exemption under this subsection.

5 (b) Any real estate that is owned and used as homestead  
6 property by the surviving spouse of a veteran is exempt from  
7 taxation if (i) the veteran died from service-connected  
8 causes while on active duty as a member of the United States  
9 Armed Forces and a letter from the United States Government  
10 or United States Department of Veterans Affairs or its  
11 predecessor has been issued certifying that the veteran died  
12 from service-connected causes while on active duty, (ii) the  
13 veteran was a permanent resident of this State on January 1  
14 of the year in which the veteran died, (iii) the property was  
15 the homestead of the veteran and his or her surviving spouse  
16 at the time of the veteran's death, and (iv) the spouse has  
17 not remarried.

18 The tax exemption that applies under this subsection to  
19 the surviving spouse carries over to the benefit of the  
20 veteran's surviving spouse as long as the spouse holds the  
21 legal or beneficial title to the homestead property,  
22 permanently resides thereon, and does not remarry. If the  
23 surviving spouse sells the property, an exemption not to  
24 exceed the exemption amount granted from the most recent  
25 equalized assessed value of the property may be transferred  
26 to the spouse's new residence as long as it is used as the  
27 spouse's primary residence and the spouse does not remarry.

28 The filing of a copy of a letter that was issued as  
29 required under this subsection with the chief county  
30 assessment officer of the county in which the property is  
31 located is prima facie evidence that the surviving spouse is  
32 entitled to an exemption under this subsection.

33 (c) A person who is allowed an exemption under this  
34 Section is not allowed an exemption under Section 15-165 for

1 the same taxable year.

2 (35 ILCS 200/15-165)

3 Sec. 15-165. Disabled veterans. Property up to an  
4 assessed value of \$58,000, owned and used exclusively by a  
5 disabled veteran, or the spouse or unmarried surviving spouse  
6 of the veteran, as a home, is exempt. As used in this  
7 Section, a disabled veteran means a person who has served in  
8 the Armed Forces of the United States and whose disability is  
9 of such a nature that the Federal Government has authorized  
10 payment for purchase or construction of Specially Adapted  
11 Housing as set forth in the United States Code, Title 38,  
12 Chapter 21, Section 2101.

13 The exemption applies to housing where Federal funds have  
14 been used to purchase or construct special adaptations to  
15 suit the veteran's disability.

16 The exemption also applies to housing that is specially  
17 adapted to suit the veteran's disability, and purchased  
18 entirely or in part by the proceeds of a sale, casualty loss  
19 reimbursement, or other transfer of a home for which the  
20 Federal Government had previously authorized payment for  
21 purchase or construction as Specially Adapted Housing.

22 However, the entire proceeds of the sale, casualty loss  
23 reimbursement, or other transfer of that housing shall be  
24 applied to the acquisition of subsequent specially adapted  
25 housing to the extent that the proceeds equal the purchase  
26 price of the subsequently acquired housing.

27 For purposes of this Section, "unmarried surviving  
28 spouse" means the surviving spouse of the veteran at any time  
29 after the death of the veteran during which such surviving  
30 spouse is not married.

31 This exemption must be reestablished on an annual basis  
32 by certification from the Illinois Department of Veterans'  
33 Affairs to the Department, which shall forward a copy of the

1 certification to local assessing officials.

2 A person who is allowed an exemption under this Section  
3 is not allowed an exemption under Section 15-164 for the same  
4 taxable year.

5 (Source: P.A. 91-401, eff. 1-1-00.)

6 Section 90. The State Mandates Act is amended by adding  
7 Section 8.26 as follows:

8 (30 ILCS 805/8.26 new)

9 Sec. 8.26. Exempt mandate. Notwithstanding Sections 6  
10 and 8 of this Act, no reimbursement by the State is required  
11 for the implementation of any mandate created by this  
12 amendatory Act of the 92nd General Assembly.

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