



Illinois Department of Revenue

101 W. Jefferson St.
Springfield, IL 62702

September 2021

2021 Legislative Updates to the Property Tax Code

The contents of this notice are informational only and do not take the place of statutes, rules, or court decisions. For each Public Act, we have provided reference to the Illinois Property Tax Code (35 ILCS 200/1 et seq.). Note that there may be additional provisions in the public acts that fall outside the Property Tax Code; those changes are not addressed in this notice unless it is relevant to Property Tax. The effective dates are specified below in each summary. Chief County Assessment Officers (CCAO or CCAOs) are asked to share this information as appropriate with other local government officials, including township/multi-township assessors and board of review members.

It is important to note that statutes are subject to further legislative action in subsequent years; the information contained in this notice may change with further law changes, therefore it is important to consult the Property Tax Code (35 ILCS 200) when questions arise.

*****Assessment-related Legislation*****

Homestead Exemptions Applications

PA 102-0136 (HB 3289)

Overview:

Provides for several changes to the Property Tax Code impacting certain homestead exemptions as outlined below.

Certain Homestead Exemptions Changes Summary:

With county board approval, allows counties to temporarily suspend some annual reapplication requirements for specific homestead exemptions in certain situations. The same language applies to all three homestead exemptions as listed below. This language is a continuation of the previously passed legislation for tax year 2020.

Statutory Reference:

35 ILCS 200/15-168 – Homestead Exemption for Persons with Disabilities (updated)

35 ILCS 200/15-169 – Homestead Exemption for Veterans with Disabilities (updated)

35 ILCS 200/15-172 – Senior Citizens Assessment Freeze Homestead Exemption (updated)

New Law:

- Homestead Exemption for Persons with Disabilities - For any property that received this exemption for the 2020 taxable year, the CCAO **may** automatically approve this exemption without application for the 2021 taxable year only, as long as the following conditions are met:
 - the county board has declared a local disaster as provided in the Illinois Emergency Management Agency Act related to the COVID-19 public health emergency;
 - the owner of record of the property as of January 1, 2021 is the same as the owner of record of the property as of January 1, 2020;
 - the exemption for the 2020 taxable year has not been determined to be an erroneous exemption as defined by the Property Tax Code; and



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- the applicant for the 2020 taxable year has not asked for the exemption to be removed for the 2020 or 2021 taxable years.
- Standard Homestead Exemption for Veterans with Disabilities - For any property that received this exemption for the 2020 taxable year, the CCAO **may** automatically approve this exemption without application for 2021 only, as long as the following conditions are met:
 - the county board has declared a local disaster as provided in the Illinois Emergency Management Agency Act related to the COVID-19 public health emergency;
 - the owner of record of the property as of January 1, 2021 is the same as the owner of record of the property as of January 1, 2020;
 - the exemption for the 2020 taxable year has not been determined to be an erroneous exemption as defined by the Property Tax Code; and
 - the applicant for the 2020 taxable year has not asked for the exemption to be removed for the 2020 or 2021 taxable years.

Note: A veteran whose service-connected disability rating has changed since the exemption was granted in 2020 is allowed to apply based on the new service-connected disability rating.

- Senior Citizens Assessment Freeze Homestead Exemption - For any property that received this exemption for the 2020 taxable year, the CCAO **may** automatically approve this exemption without application for the 2021 taxable year only, as long as the following conditions are met:
 - the county board has declared a local disaster as provided in the Illinois Emergency Management Agency Act related to the COVID-19 public health emergency;
 - the owner of record of the property as of January 1, 2021 is the same as the owner of record of the property as of January 1, 2020;
 - the exemption for the 2020 taxable year has not been determined to be an erroneous exemption as defined by the Property Tax Code; and
 - the applicant for the 2020 taxable year has not asked for the exemption to be removed for the 2020 or 2021 taxable years.

Note: Nothing shall preclude or impair the authority of a CCAO to conduct audits of any taxpayer claiming an exemption under this Section to verify that the taxpayer is eligible to receive the exemption.

Supportive Living Facilities & Education Trade Schools PA 102-0016 (SB 2017)

Overview:

Provides an update to the alternate valuation method for supportive living facilities. Creates a new non-homestead exemption for educational trade schools.

Summary of Changes:

Updates the valuation methodology for supportive living facilities to exclude certain types of income when determining the fair cash value of the facility. Also adds a provision for a new non-



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homestead exemption for educational trade schools that meet certain criteria. Existing forms will be used for this new exemption type as outlined below.

Statutory Reference:

35 ILCS 200/10-390 – Valuation of Supportive Living facilities (updated)

35 ILCS 200/15-37 – Educational Trade Schools

Also contains provisions for other changes to state law outside of the property tax code.

New Law:

35 ILCS 200/10-390:

Adds new language stating that gross potential income must not exceed the maximum individual Supplemental Security Income (SSI) amount, minus a resident's personal allowance as defined at 89 Ill Admin. Code 146.205, multiplied by the number of apartments authorized by the supportive living facility certification.

The Illinois Department of Healthcare and Family Services (IDHFS) maintains a wealth of information on Supportive Living Facilities on their website at the following:

<https://www2.illinois.gov/hfs/MedicalProviders/notices/Pages/default.aspx>

A full listing of the approved operational sites along with the total number of apartments can be found at the following link:

<https://www2.illinois.gov/hfs/SiteCollectionDocuments/OperationalSites.pdf>

It is important to note that there are currently a number of providers that are in various stages of construction or renovation that are not yet operational. Once these facilities are certified, they operational listing will be updated so be sure to check the listing periodically to ensure all facilities are accounted for in your jurisdiction.

For information about the maximum SSI amount, the Social Security Administration provides this information on their website. Please note the following links:

Current and historic SSI and COLA information: <https://www.ssa.gov/cola/>

The IDHFS also releases an annual provider notice with the yearly changes that affect a SLP resident's room and board which is based upon the SSI amount:

<https://www2.illinois.gov/hfs/MedicalProviders/notices/Pages/prn201123a.aspx>

The "resident's personal allowance as defined it 89 Ill Admin. Code 146.205 can be found at the link below. These amounts do not generally change from year to year but may be changed due to legislative action:

<https://www.ilga.gov/commission/jcar/admincode/089/089001200C00610R.html>

35 ILCS 200/15-37:

Creates a new non-homestead exemption for educational trade schools. Property that is owned by a non-profit trust fund and used exclusively for the purposes of educating and training individual for occupational, trade, and technical careers and is certified by the United States Department of Labor as registered with the Office of Apprenticeship is exempt. Applicants will file a PTAX-300 with the county Board of Review, and the application should be forwarded to IDOR following the same process and procedure as other non-homestead exemption applications.



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Various Property Tax Provisions

PA 102-0519 (SB 508)

Overview:

Makes changes to the Property Tax Extension Limitation law specifically regarding home equity assurance programs (same as PA 102-0311). Adds new section related to adjustments for Certificates of Error, court orders, or final PTAB decisions. Makes various changes to tax sales and scavenger sales.

Summary of Changes:

Same as PA 102-0311 - specifically targets home equity assurance programs which levy at least \$1,000,000 in property taxes by limiting the amount that can be levied.

Creates a new provision concerning adjustments when a Certificate of Error, certain court orders, or final decisions of the Property Tax Appeal Board (PTAB) are made; allows a local taxing district to increase the levy to accommodate the above actions.

Adds language to existing statutes related to scavenger sales and the annual tax sale.

Statutory Reference:

35 ILCS 200/18-185 – Property Tax Extension Limitation Law (updated)

35 ILCS 200/18-233 – Adjustments for certificates of error, certain court orders, or final administrative decisions of the PTAB (new)

35 ILCS 200/21-145 – Scavenger sale (updated)

35 ILCS 200/21-150 – Time of applying for judgment (updated)

35 ILCS 200/21-205 – Tax sale procedures (updated)

35 ILCS 200/21-260 – Collector's scavenger sale (updated)

35 ILCS 200/21-261 – Scavenger sale automation (new)

New Law:

35 ILCS 200/18-185:

Same as PA 102-0311 (see below): For levy year 2022, the aggregate extension base of a home equity assurance program that levied at least \$1,000,000 in property taxes in levy year 2019 or 2020 under the Home Equity Assurance Act shall be the amount of that program's aggregate extension base for levy year 2021 would have been if the program had levied a property tax for levy year 2021.

35 ILCS 200/18-233:

Creates a new section in the Property Tax Code pertaining to decisions made stemming from the issuance of a certificate of error, certain court orders, or final administrative decisions of the PTAB. Effective with levy year 2021, a taxing district levy shall be increased by a prior year adjustment whenever an assessment decrease due to the issuance of a certificate of error, a court order issued pursuant to an assessment valuation complaint under Section 23-15 of the Property Tax Code, or a final administrative decision of the Property Tax Appeal Board (PTAB) results in a refund from the taxing district of a portion of the property tax revenue distributed to the taxing district.

On or before November 15 of each year, the county Treasurer shall certify the aggregate funds paid by a taxing district during such 12-month period. For the purposes of the Property Tax



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Extension Limitation Law, the taxing district's most recent aggregate extension base shall not include the prior year adjustment authorized under this new section.

35 ILCS 200/21-145:

Adds language to the scavenger sale law to accommodate allowance for the delay of a scavenger sale beyond the two-year consecutive maximum as a result of a statewide COVID-19 public health emergency.

35 ILCS 200/21-150:

Applies to Cook County, sets provisions for the application of judgment and order of sale dates and sets time frames for when tax sales and scavenger sales can occur in relation to delays caused by COVID-19.

35 ILCS 200/21-205 (b-5):

Effective immediately; in any county with 275,000 or more inhabitants, the county collector shall adopt a single bidder rule to prohibit a tax purchaser from registering more than one related bidding entity at the tax sale. Allows a county with under 275,000 inhabitants to implement the same rule by ordinance. In any county that has adopted the single bidder rule, the county treasurer shall include a representation and warranty form in each registration packet attesting to compliance with the single bidder rule unless the county opts out of this requirement by ordinance. Defines a single bidder rule by the following: (1) A registered tax buying entity may only have one registered buyer at the tax sale and may not have a related bidding entity directly or indirectly register as a buyer or participate in the tax sale or may they engage in any multiple bidding strategy for the purpose of having more than one related bidding entity submit bids at the tax sale; and (2) provides the definition of related bidding entities by structure and ownership type.

35 ILCS 200/21-260:

Adds language to the Collector's scavenger sale to allow for an electronic automated sale if the collector chooses to conduct an electronic automated sale. Provides differentiating language on the format of the scavenger sale - when the sale is held in person the successful bidder shall pay the amount of minimum bid to the county collector by the end of the business day on which the bid was placed; when the sale is held in an electronic automated format the successful bidder shall pay the minimum bid amount either online via ACH debit or by the county's prescribed electronic payment method by the close of the business day on which the bid was placed. If the bid is in excess of the minimum bid amount, the balance shall be paid in the same methods as above by the close of the next business day.

35 ILCS 200/21-261:

Adds this new subsection effective calendar year 2021. States that the county collector may employ any electronic automated means that the collector deems appropriate, provided that any electronic bidding system shall be programmed to accept the highest cash bid made by an eligible tax purchaser. If the collector conducts the scavenger sale using an electronic automated bidding system, no personal attendance by bidders is required at the scavenger sale. If automated means are used, all hardware and software used with respect to those automated means must be certified by the Department of Revenue and re-certified every 5 years.



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Low-income Housing Projects

PA 102-0175 (HB 2621)

Overview:

Requires the income approach be used to value low-income housing in all counties; creates a valuation methodology for low-income housing in counties with more than 3,000,000 inhabitants. Creates a new special assessment program for low-income housing in other counties.

Summary of Changes:

Provides details for a new special assessment program for low-income housing; sets forth the qualifications and application requirements; provides the time frames for the special assessment program.

Statutory Reference:

35 ILCS 200/10-260 – Low-income housing (updated)

35 ILCS 200/15-178 – Reduction in assessed value for affordable rental housing construction or rehabilitation (new)

Also contains provisions for other changes to state law outside of the property tax code.

New Law:

35 ILCS 200/10-260:

For all counties, requires an emphasis on the income approach to be used when valuing low-income housing by removing language allowing a different appropriate method to be used. In counties with more than 3,000,000 inhabitants, during a general reassessment year or other property reassessment, there is an updated outline of the determination of the fair cash value of any low-income housing project that qualifies for the Low-Income Housing Tax credit under Section 42 of the Internal Revenue Code.

- In buildings with 7 or more units, the assessor must consider the actual or projected net operating income attributable to the property, capitalized at rates for similarly encumbered Section 42 properties, and
- In buildings with 6 or less units, the assessor prior to finalizing and certifying assessments to the Board of Review, shall reassess the building considering the actual or projected net operating income attributable to the property, capitalized at rates for similarly encumbered Section 42 properties.
- The capitalization rate shall be one that reflects the prevailing cost of capital for other types of similarly encumbered Section 42 properties in the geographic market in which the low-income housing project is located.

All low-income projects seeking to be assessed under this Section shall certify to the appropriate assessing officer that the owner(s) qualify for the Low-Income Housing Tax Credit under Section 42 of the Internal Revenue Code for the property, in a form prescribed by that assessment officer.

35 ILCS 200/15-178:

Develops a new statewide policy to determine the assessed value for newly constructed and rehabilitated affordable rental housing that meets certain criteria. Property that meets the qualifications will receive the special assessment for 10 taxable years after the newly constructed residential real property or improvements to existing residential real property are put in service.



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All counties are required to implement this new assessment program; counties of less than 3,000,000 inhabitants may choose to opt out of the one or both of the special assessment programs by ordinance requiring a majority vote by the county board. If a county board opts out of the program by ordinance, they may later choose to opt in by ordinance requiring a majority vote by the county board.

Eligibility – (b)(1) and (b)(2)

Property is eligible for the special assessment program if and only if all of the following factors have been met:

- At the conclusion of the new construction or qualifying rehabilitation, the property consists of a newly constructed multifamily building containing 7 or more rental dwelling units or an existing multifamily building that has undergone qualifying rehabilitation resulting in 7 or more rental dwelling units, and
- The property meets the application requirements.

Qualifications – (c)(1) and (c)(2)

The CCAO shall require that residential real property is eligible for the special assessment program if and only if one of the additional factors have been met, unless a county has opted out of the program.

- (c)(1) - Prior to the newly constructed residential real property or improvements to existing residential property being put in service, the owner commits that, for a period of 10 years, at least 15% of the multifamily building's units will have rents as defined that are at or below maximum rents and are occupied by households with household incomes at or below maximum income limits
- (c)(2) - Prior to the newly constructed residential real property or improvements to existing residential real property located in a low affordability community being put in service, the owner commits that, for a period for a period of 30 years after the newly constructed or improved existing residential real property are put in service, at least 20% of the multifamily building's units will have rents as defined that are at or below maximum rents and are occupied by households with household incomes at or below maximum income limits.

Note: if a reduction in assessed value is granted under one special assessment program provided in this Section, that same property is not eligible for an additional special assessment program under this Section at the same time.

Reduction in assessed value – (d)(1) and (d)(2) and (e)(1) and (e)(2)

The amount of reduction in assessed value for qualifying properties under (c)(1) shall be calculated as follows:

- (d)(1) - If the owner commits for a period of at least 10 years that at least 15% but fewer than 35% of the multifamily building's units have rents at or below maximum rents and are occupied by households with household incomes at or below maximum income limits, the assessed value of the property used to calculate the property tax bill shall be reduced by an amount equal to 25% of the assessed value of the property as determined by the assessor for the property in the current taxable year for the newly constructed or improved existing residential real property.
- (d)(2) - If the owner commits for a period of at least 10 years that at least 35% of the multifamily building's units have rents at or below maximum rents and are occupied by households with household incomes at or below maximum income limits, the assessed value of the property used to calculate the property tax bill shall be reduced by an amount



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equal to 35% of the assessed value of the property as determined by the assessor for the property in the current taxable year for the newly constructed or improved existing residential real property.

(e)(1) through (e)(5) - The amount of reduction in assessed value for qualifying properties under (c)(2) shall be calculated as follows.

- For the first, second, and third taxable year after the residential real property is placed in service, the property is entitled to a reduction in its assessed value in an amount equal to the difference between the assessed value in the year for which the incentive is sought and the assessed value for the residential real property in the base year.
- For the fourth, fifth, and sixth taxable year after the residential real property is placed in service, the property is entitled to a reduction in its assessed value in an amount equal to 80% of the difference between the assessed value in the year for which the incentive is sought and the assessed value for the residential real property in the base year.
- For the seventh, eighth, and ninth taxable year after the residential real property is placed in service, the property is entitled to a reduction in its assessed value in an amount equal to 60% of the difference between the assessed value in the year for which the incentive is sought and the assessed value for the residential real property in the base year.
- For the tenth, eleventh, and twelfth taxable year after the residential real property is placed in service, the property is entitled to a reduction in its assessed value in an amount equal to 40% of the difference between the assessed value in the year for which the incentive is sought and the assessed value for the residential real property in the base year.
- For the thirteenth through thirtieth taxable year after the residential real property is placed in service, the property is entitled to a reduction in its assessed value in an amount equal to 20% of the difference between the assessed value in the year for which the incentive is sought and the assessed value for the residential real property in the base year.

Application requirements (f)

(f)(1) - In order to qualify for the reduced valuation as outlined above, the owner must submit an application containing the following information to the CCAO for review in the form and by the date require by the CCAO:

- Owner's name
- Postal address and permanent index number (PIN) or numbers of the parcel or parcels for which the owner is applying to receive the reduced valuation under this section
- Deed or other instrument conveying the parcel or parcels to the current owner
- Written evidence that the new construction or qualifying rehabilitation has been completed with respect to the residential real property, including but not limited to copies of building permits, notarized contractor's affidavit, and photographs of the interior and exterior of the building after new construction or rehabilitation is completed
- Written evidence that the residential real property meets local building codes, or if there are no local building codes, Housing Quality Standards, as determined by the US Department of Housing and Urban Development
- A list identifying the affordable units in residential real property and a written statement that the affordable units are comparable to market rate units in terms of unit type, number of bedrooms per unit, quality of exterior appearance, energy efficiency, and overall quality of construction
- A written schedule certifying the rents in each affordable unit and a written statement that these rents do not exceed the maximum rents allowable for the area in which the residential real property is located



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- Documentation from the administering agency verifying the owner's participation in a qualifying income-based rental subsidy program as defined if units receiving rental subsidies are to be counted among the affordable units in order to meet thresholds defined
- A written statement identifying the household income for every household occupying an affordable unit and certifying that the household income does not exceed the maximum income limits allowable for the area in which the residential real property is located
- A written statement that the owner has verified and retained documentation of household income for every household occupying an affordable unit
- Any additional information consistent with this Section as reasonably required by the CCAO, including but not limited to, any information necessary to ensure compliance with applicable local ordinances and to ensure the owner is complying with the provisions of this Section

(f)(1.1) - In order for a development to receive the reduced valuation, the owner must provide evidence to the county assessor's office of a fully executed project labor agreement entered into with the applicable local building trades council, prior to commencement of any and all construction, building, renovation, demolition, or any material change to the structure or land.

(f)(2) - The application requirements above are continuing requirements for the duration of the reduction in assessed value received and may be annually or periodically verified by the CCAO.

(f)(3) - In lieu of submitting an application containing the information above in (f)(1), the CCAO **may** allow for submission of a substantially similar certification granted by the Illinois Housing Development Authority (IHDA) or a comparable local authority provided that the CCAO independently verifies the veracity of the certification with the IHDA or comparable local authority.

(f)(4) – The CCAO shall notify the owner as to whether or not the property meets the requirements of this Section. If the property does not meet the requirements, the CCAO shall provide written notice of any deficiencies to the owner, who shall have 30 days from the date of notification to provide supplemental information showing compliance with this Section. The CCAO shall, in its discretion, grant additional time to cure any deficiency. If the owner does not exercise this right to cure the deficiency, or if the information submitted, in the sole judgment of the CCAO, is insufficient to meet the requirements of this Section, the CCAO shall provide a written explanation of the reasons for denial.

(f)(5) – The CCAO may charge a reasonable application fee to offset the administrative expenses associated with the program.

(f)(6) – The reduced valuation conferred by this Section is limited as follows:

- (A) The owner is eligible to apply for the reduced valuation conferred by this Section beginning in the first assessment year after the effective date of this Act through December 31, 2027. If approved, the reduction will be effective for the current assessment year, which will be reflected on the tax bill issued in the following calendar year.
 - Owners that are approved for the reduced valuation under (c)(1) before December 31, 2027 shall, at minimum, be eligible for annual renewal of the reduced valuation during an initial 10-year period if annual certification requirements are met for each of the 10 years as described below.
- (B) Property receiving a reduction outlined in (c)(1) shall continue to be eligible for an initial period of up to 10 years if annual certification requirements if annual certification



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requirements are met for each of the 10 years, but shall be extended up to two additional 10-year periods with annual renewals if the owner continues to meet the requirements of this Section, including annual certifications, and excluding the requirements regarding new construction or qualifying rehabilitation as defined in (D) below.

- (C) The annual certification materials in the year prior to final year of eligibility for the reduction in assessed value must include a dated copy of the written notice provided to tenants informing them of the date of termination if the owner is not seeking a renewal.
- (D) If the property is sold or transferred, the purchaser or transferee must comply with all requirements of this Section, excluding the requirements regarding new construction or qualifying rehabilitation, in order to continue receiving the reduction in assessed value. Purchasers and transferees who comply with all requirements of this Section are eligible to apply for renewal on the schedule set by the initial application.
- (E) The owner may apply for reduced valuation if the residential real property meets all requirements of this Section and the newly constructed residential real property or improvements to existing residential real property were put in service on or after January 1, 2015. However, the initial 10-year eligibility period or 30-year eligibility period, depending on the applicable program, shall be reduced by the number of years between the placed in service date and the date the owner first receives this reduced valuation.
- (F) The owner may apply for the reduced valuation within 2 years after the newly constructed or improved existing residential real property are put in service. However, the initial 10-year or 30-year eligibility period, depending on the applicable program, shall be reduced for the number of years between the placed in service date and the date the owner first receives this reduced valuation.
- (G) <Cook County specific language> Owners of a multifamily building receiving a reduced valuation through the Cook County Class 9 program during the year in which this Act takes effect shall be deemed automatically eligible for the reduced valuation defined in (c)(1) in terms of meeting the criteria for new construction or substantial rehabilitation for a specific multifamily building regardless of when the newly constructed or rehabilitated residential real property were put in service. If a Cook County Class 9 owner had Class 9 status revoked on or after January 1, 2017 but can provide documents sufficient to prove that the revocation was in error or any deficiencies leading to the revocation have been cured, the CCAO may deem the owner to be eligible. Owners may not receive both the reduced valuation under this Section and the reduced valuation under the Cook County Class 9 program in any single assessment year. In addition, the number of years during which an owner has participated in the Class 9 program shall count against the 3 10-year periods of eligibility for the reduced valuation as defined in (c)(1).
- (H) At the completion of the assessment reduction period described in this Section, the entire parcel will be assessed as otherwise provided by law.

Definitions

See the full Public Act for a list of all definitions.



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*****Other Property Tax Provisions Impacting Local Governments*****

Publications Requirement

PA 102-0592 (HB 2412)

Overview:

Requires publication to occur in specific newspapers when certain criteria are met.

Summary of Changes:

Requires publication in a local newspaper of a minority group, and in that group's official language, if certain metrics are met.

Statutory Reference:

715 ILCS 5/12 – Minority groups (new)

New Law:

Effective 1/1/2022, if a notice is required to be published in a newspaper under this Act where the city, town or county consists of more than 45% of a single minority group, the notice shall also be published in a local newspaper of that minority group, if available, and in the official language of the minority group's country of origin.

Vendor Reporting Requirement

PA 102-0265 (HB 453)

Overview:

Requires certain taxing districts to provide data concerning vendors and subcontractors doing business with the taxing district.

Summary of Changes:

Creates a new statutory section to provide for electronic reporting of vendor information for taxing districts with an aggregate property tax levy of more than \$5,000,000 for the levy year as to whether the vendor(s) are minority, woman, or veteran owned.

Statutory Reference:

35 ILCS 200/18-50.2 – Vendor information reporting (new)

35 ILCS 805/8.45 – Exempt mandate (no reimbursement by the State) (new)

New Law:

Beginning in levy year 2022, each taxing district with an aggregate property tax levy of more than \$5,000,000 for the levy year shall make a good faith effort to collect and electronically publish data from all vendors and subcontractors doing business with the taxing district as to

- whether the vendor or subcontractor is minority, women, or veteran owned, as defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, and
- whether the vendor or subcontractor holds any certification for those categories or if they are self-certifying, and whether the vendor qualifies as a small business under the SBA.

Home rule powers and functions are denied for purposes of this new law. Provides for no reimbursement for the publication of this information.



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Tax Sale Changes

PA 102-0363 (SB 1721)

Overview:

Adds language regarding what a county may include to manage and operate delinquent property; reduces the maximum amount of penalty allowed to be bid at the annual tax sale. Makes changes to the Counties and Municipalities codes.

Summary of Changes:

Adds language clarifying what a county may include to manage and operate delinquent property; allows for costs associated with maintaining the property be recuperated by the county when the property is sold. Reduces the maximum amount of penalty allowed to be bid at the annual tax sale from 18% to 9%. Makes other changes to the Counties and Municipalities codes that are not covered in this legislative summary.

Statutory Reference:

35 ILCS 200/21-90 – Purchase and sale by county; distribution of proceeds (updated)

35 ILCS 200/21-215 – Penalty bids (updated)

Also makes changes to the Counties Code 55 ILCS 5/5-1121 and Illinois Municipal Code 65 ILCS 5/11-31-1; these changes are not summarized in this document.

New Law:

35 ILCS 200/21-90:

When any property is delinquent or is forfeited for each of 2 or more years and is offered for sale under the provisions of the Code, the county may apply to purchase it. The county may (formerly “shall”) take steps necessary to acquire title to the property – new language clarifies provisions for the management of the property to include mowing, maintaining, removing trash and waste, and demolition, repair or remediation of unsafe structures. If the county sells or assigns the acquired property, the county may recuperate costs involved in the acquisition, including maintenance and the county’s staff and overhead costs, before the taxes collected are distributed to the taxing districts.

35 ILCS 200/21-215:

Reduces the maximum bid amount accepted for a penalty from 18% to now 9% of the amount of the tax or special assessment on property.

Changes made to the Counties Code and the Illinois Municipal Code are not summarized in this document; counties and municipalities are encouraged to work with their local State’s Attorney or Counsel for further guidance.



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Scavenger Sales Changes

PA 102-0528 (SB 1845)

Overview:

Makes notification changes to the scavenger sales process.

Summary of Changes:

Provides that within 30 days of filing a petition, the owner of a certificate must file the names and addresses of the owners of the property with the Clerk and those entitled to service of notice. Requires the Clerk to mail a notice within 30 days from the date of the filing of addresses with the Clerk.

Statutory Reference:

35 ILCS 200/21-260 (updated)
35 ILCS 200/22-10 (updated)
35 ILCS 200/22-25 (updated)

New Law:

Adds to 35 ILCS 200/21-260(e):

Within 30 days from filing of the petition (concerning the period of redemption from a tax sale to obtain a tax deed) the owner of a certificate of purchase must file with the County Clerk the names and addresses of the owners of the property and those persons entitled to service of notice at their last known address. The Clerk shall mail notice within 30 days from the date of the filing of addresses with the Clerk.

22-10 and 22-25 add reference to the newly added language in 21-260 pertaining to the filing of names and addresses within the specified time frame and the requirement to mail notices as outlined above.

Home Equity Assurance Program Levy Changes

PA 102-0311 (SB 1138)

Overview:

Makes changes to the Property Tax Extension Limitation law specifically regarding home equity assurance programs.

Summary of Changes:

This new language specifically targets home equity assurance programs which levy at least \$1,000,000 in property taxes by limiting the amount that can be levied.

Statutory Reference:

35 ILCS 200/18-185 – Property Tax Extension Limitation Law (updated)
65 ILCS 95/4.3 – Tax levies for levy year 2021 (new)

New Law:

For levy year 2022, the aggregate extension base of a home equity assurance program that levied at least \$1,000,000 in property taxes in levy year 2019 or 2020 under the Home Equity Assurance Act shall be the amount of that program's aggregate extension base for levy year 2021 would have been if the program had levied a property tax for levy year 2021.



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The governing commission of a home equity assurance program that levied at least \$1,000,000 in property taxes in levy year 2019 or 2020 may not levy any property tax in levy year 2021.

Filing of Taxing District Levies

PA 102-0625 (SB 1667)

Overview:

Makes changes to the levy certification process.

Summary of Changes:

Adds subsection a-5, which allows for levy certifications to be submitted electronically.

Statutory Reference:

35 ILCS 200/18-15 (updated)

New Law:

Effective January 1, 2022, when taxing districts submit their levy request to the county clerk, they may submit the levy requests electronically along with any supplemental or supportive documentation.

Northwest Home Equity Assurance Act

PA 102-0599 (HB 2614)

Overview:

Adds language to provide an option for delinquent tax repayment under the Northwest Home Equity Assurance Program.

Summary of Changes:

Provides a process and procedure for establishing a delinquent tax repayment loan fund for payment of delinquent property taxes.

Statutory Reference:

65 ILCS 95/11 (updated)

New Law:

This new law falls outside of the property tax code, so an in-depth analysis is not being provided. Language was added to 65 ILCS 95/11 to provide via referendum or resolution for the ability to establish a low-interest emergency loan to eligible applicants for the payment of delinquent property taxes.



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October 2021

2021 Legislative Updates to the Property Tax Code

*****Updates due to legislation passed early this Fall prior to Veto Session*****

The contents of this notice are informational only and do not take the place of statutes, rules, or court decisions. For each Public Act, we have provided reference to the Illinois Property Tax Code (35 ILCS 200/1 et seq.). Note that there may be additional provisions in the public acts that fall outside the Property Tax Code; those changes are not addressed in this notice unless it is relevant to Property Tax. The effective dates are specified below in each summary. Chief County Assessment Officers (CCAO or CCAOs) are asked to share this information as appropriate with other local government officials, including township/multi-township assessors and board of review members.

It is important to note that statutes are subject to further legislative action in subsequent years; the information contained in this notice may change with further law changes, therefore it is important to consult the Property Tax Code (35 ILCS 200) when questions arise.

Energy Bill – Property Tax specific changes

PA 102-0662 (SB 2408)

Overview:

Extends sunset date on the wind energy device sunset date. Provides a clarification regarding commercial solar energy systems. Provides for the assessment of spent fuel storage tanks for energy producing plants. Makes other provisions that fall outside of the property tax code.

Summary:

Allows for the assessment of spent fuel pools and dry cask storage systems in which nuclear fuel is stored and is pending further or final disposal from a nuclear power plant. Provides direction on where to gather assessment information. Provides clarification on the valuation of solar energy systems when determining whether the system qualifies as “personal use” or commercial. Extends the sunset date for wind energy device valuation methodology to 2035.

Statutory Reference:

35 ILCS 200/1-130 – Property; real property; real estate; land; tract; lot
35 ILCS 200/10-5 – Solar energy systems
35 ILCS 200/10-610 – Applicability (Wind energy devices)

New Law:

35 ILCS 200/1-130

Adds language in subsection (e) that states the following: “Spent fuel pools and dry cask storage systems in which nuclear fuel is stored and is pending further or final disposal from a nuclear power plant that was decommissioned before January 1, 2021 shall be considered real property and be assessable. The chief county assessment officer shall assess such property based on a national evaluation of the effective value per pound of spent nuclear fuel, calculated by examining assessments or PILOT agreements and documented pounds of spent nuclear fuel, at nuclear power plants where such property is similarly considered real property.”



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35 ILCS 200/10-5

Adds a new section (D) to further define which solar projects qualify as a commercial solar energy system versus a “behind the meter” type installation. The new language states that if the solar energy system is under a Power Purchase Agreement (PPA) or leased from a third-party owner or similar entity, and if the energy is used and consumed “behind the meter” to primarily offset the load of the end user to whose meter the system is connected, then the system does not fall under the commercial solar energy system valuation method but instead is treated as other solar energy systems under 10-5. Defines “primarily used” as the system is designed to offset the electricity load of the end user of the system within 110% or fewer kilowatt-hours of electricity than consumed by the end user of the electricity at such meter in the last 12 full months prior to the system being placed in service.

35 ILCS 200/10-610

Extends the sunset date for the wind energy valuation methodology from 2021 to 2035.