

AN ACT concerning taxes.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Property Tax Code is amended by changing Sections 18-125, 18-185, 18-190, 18-205, and 18-230 as follows:

(35 ILCS 200/18-125)

Sec. 18-125. Rate limit referenda. Referenda initiated under Section 18-120 shall be subject to the provisions and limitations of the general election law.

The question of adopting a maximum tax rate other than that applicable shall be in substantially the following form for all elections held after March 21, 2006:

Shall the maximum tax rate for . . . purposes of . . .
(insert legal name, number, if any, and county or counties
of taxing district), Illinois, be established at . . . % of
the equalized assessed value of the taxable property
therein instead of . . . %, the maximum rate otherwise
applicable to the next taxes to be extended?

The votes must be recorded as "Yes" or "No".

~~Shall the maximum tax rate for~~
~~the..... fund of.....~~
~~(identify taxing district) be _____ YES~~
~~established at..... percent~~
~~on the equalized assessed _____~~
~~value instead of..... per~~
~~cent, the maximum rate otherwise _____ NO~~
~~applicable to the next taxes to~~
~~be extended?~~

The ballot shall have printed thereon, but not as a part of the proposition submitted, (i) a statement of the purpose or

reason for the proposed change in the tax rate, (ii) an estimate of the approximate amount extendable under the proposed rate and of the approximate amount extendable under the current rate applicable to the next taxes extended, such amounts being computed upon the last known equalized assessed value, and (iii) the approximate amount of the tax extendable against property containing a single family residence and having a fair market value of \$100,000 at the current maximum rate and at the proposed rate. The approximate amount of the tax extendable against property containing a single family residence shall be calculated (i) without regard to any property tax exemptions and (ii) based upon the percentage level of assessment prescribed for such property by statute or by ordinance of the county board in counties which classify property for purposes of taxation in accordance with Section 4 of Article IX of the Constitution. Any error, miscalculation or inaccuracy in computing such amounts that is not deliberate shall not invalidate or affect the validity of any maximum tax rate so adopted.

If a majority of all ballots cast on the proposition are in favor of the proposition, the maximum tax rate so established shall become effective with the levy next following the referendum. It is the duty of the county clerk to reduce, if necessary, the amount of any taxes levied thereafter. Nothing in this Section shall be construed as precluding the extension of taxes at rates less than that authorized by the referendum.

(Source: P.A. 86-1253; 88-455.)

(35 ILCS 200/18-185)

Sec. 18-185. Short title; definitions. This Division 5 may be cited as the Property Tax Extension Limitation Law. As used in this Division 5:

"Consumer Price Index" means the Consumer Price Index for All Urban Consumers for all items published by the United States Department of Labor.

"Extension limitation" means (a) the lesser of 5% or the

percentage increase in the Consumer Price Index during the 12-month calendar year preceding the levy year or (b) the rate of increase approved by voters under Section 18-205.

"Affected county" means a county of 3,000,000 or more inhabitants or a county contiguous to a county of 3,000,000 or more inhabitants.

"Taxing district" has the same meaning provided in Section 1-150, except as otherwise provided in this Section. For the 1991 through 1994 levy years only, "taxing district" includes only each non-home rule taxing district having the majority of its 1990 equalized assessed value within any county or counties contiguous to a county with 3,000,000 or more inhabitants. Beginning with the 1995 levy year, "taxing district" includes only each non-home rule taxing district subject to this Law before the 1995 levy year and each non-home rule taxing district not subject to this Law before the 1995 levy year having the majority of its 1994 equalized assessed value in an affected county or counties. Beginning with the levy year in which this Law becomes applicable to a taxing district as provided in Section 18-213, "taxing district" also includes those taxing districts made subject to this Law as provided in Section 18-213.

"Aggregate extension" for taxing districts to which this Law applied before the 1995 levy year means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before October 1, 1991; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before October 1, 1991; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after October 1, 1991 that were approved by

referendum; (e) made for any taxing district to pay interest or principal on revenue bonds issued before October 1, 1991 for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before October 1, 1991, to pay for the building project; (g) made for payments due under installment contracts entered into before October 1, 1991; (h) made for payments of principal and interest on bonds issued under the Metropolitan Water Reclamation District Act to finance construction projects initiated before October 1, 1991; (i) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), (e), and (h) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum; (j) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; (k) made by a school district that participates in the Special Education District of Lake County, created by special education joint agreement under Section 10-22.31 of the School Code, for payment of the school district's share of the amounts required to be contributed by the Special Education District of Lake County to the Illinois Municipal Retirement Fund under Article 7 of the Illinois Pension Code; the amount of any extension under this item (k) shall be certified by the school district to the county clerk; (l) made to fund expenses of providing joint recreational programs for the handicapped under Section 5-8 of the Park District Code or Section 11-95-14 of the Illinois Municipal Code; (m) made for temporary relocation loan repayment purposes pursuant to Sections 2-3.77

and 17-2.2d of the School Code; ~~and~~ (n) made for payment of principal and interest on any bonds issued under the authority of Section 17-2.2d of the School Code; and (o) ~~(m)~~ made for contributions to a firefighter's pension fund created under Article 4 of the Illinois Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code.

"Aggregate extension" for the taxing districts to which this Law did not apply before the 1995 levy year (except taxing districts subject to this Law in accordance with Section 18-213) means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before March 1, 1995; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before March 1, 1995; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after March 1, 1995 that were approved by referendum; (e) made for any taxing district to pay interest or principal on revenue bonds issued before March 1, 1995 for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before March 1, 1995 to pay for the building project; (g) made for payments due under installment contracts entered into before March 1, 1995; (h) made for payments of principal and interest on bonds issued under the Metropolitan

Water Reclamation District Act to finance construction projects initiated before October 1, 1991; (h-4) made for stormwater management purposes by the Metropolitan Water Reclamation District of Greater Chicago under Section 12 of the Metropolitan Water Reclamation District Act; (i) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), and (e) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum and bonds described in subsection (h) of this definition; (j) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; (k) made for payments of principal and interest on bonds authorized by Public Act 88-503 and issued under Section 20a of the Chicago Park District Act for aquarium or museum projects; (l) made for payments of principal and interest on bonds authorized by Public Act 87-1191 or 93-601 and (i) issued pursuant to Section 21.2 of the Cook County Forest Preserve District Act, (ii) issued under Section 42 of the Cook County Forest Preserve District Act for zoological park projects, or (iii) issued under Section 44.1 of the Cook County Forest Preserve District Act for botanical gardens projects; (m) made pursuant to Section 34-53.5 of the School Code, whether levied annually or not; (n) made to fund expenses of providing joint recreational programs for the handicapped under Section 5-8 of the Park District Code or Section 11-95-14 of the Illinois Municipal Code; (o) made by the Chicago Park District for recreational programs for the handicapped under subsection (c) of Section 7.06 of the Chicago Park District Act; and (p) made for contributions to a firefighter's pension fund created under Article 4 of the Illinois Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code.

"Aggregate extension" for all taxing districts to which this Law applies in accordance with Section 18-213, except for

those taxing districts subject to paragraph (2) of subsection (e) of Section 18-213, means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before the date on which the referendum making this Law applicable to the taxing district is held; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before the date on which the referendum making this Law applicable to the taxing district is held; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after the date on which the referendum making this Law applicable to the taxing district is held if the bonds were approved by referendum after the date on which the referendum making this Law applicable to the taxing district is held; (e) made for any taxing district to pay interest or principal on revenue bonds issued before the date on which the referendum making this Law applicable to the taxing district is held for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before the date on which the referendum making this Law applicable to the taxing district is held to pay for the building project; (g) made for payments due under installment contracts entered into before the date on which the referendum making this Law applicable to the taxing district is held; (h) made for payments of principal and

interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), and (e) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum; (i) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; (j) made for a qualified airport authority to pay interest or principal on general obligation bonds issued for the purpose of paying obligations due under, or financing airport facilities required to be acquired, constructed, installed or equipped pursuant to, contracts entered into before March 1, 1996 (but not including any amendments to such a contract taking effect on or after that date); (k) made to fund expenses of providing joint recreational programs for the handicapped under Section 5-8 of the Park District Code or Section 11-95-14 of the Illinois Municipal Code; and (l) made for contributions to a firefighter's pension fund created under Article 4 of the Illinois Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code.

"Aggregate extension" for all taxing districts to which this Law applies in accordance with paragraph (2) of subsection (e) of Section 18-213 means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before the effective date of this amendatory Act of 1997; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before the effective date of this amendatory Act of 1997; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after the effective date of this amendatory Act of 1997 if the bonds

were approved by referendum after the effective date of this amendatory Act of 1997; (e) made for any taxing district to pay interest or principal on revenue bonds issued before the effective date of this amendatory Act of 1997 for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before the effective date of this amendatory Act of 1997 to pay for the building project; (g) made for payments due under installment contracts entered into before the effective date of this amendatory Act of 1997; (h) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), and (e) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum; (i) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; (j) made for a qualified airport authority to pay interest or principal on general obligation bonds issued for the purpose of paying obligations due under, or financing airport facilities required to be acquired, constructed, installed or equipped pursuant to, contracts entered into before March 1, 1996 (but not including any amendments to such a contract taking effect on or after that date); (k) made to fund expenses of providing joint recreational programs for the handicapped under Section 5-8 of the Park District Code or Section 11-95-14 of the Illinois Municipal Code; and (l) made for contributions to a firefighter's pension fund created under Article 4 of the Illinois Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code.

"Debt service extension base" means an amount equal to that portion of the extension for a taxing district for the 1994 levy year, or for those taxing districts subject to this Law in accordance with Section 18-213, except for those subject to paragraph (2) of subsection (e) of Section 18-213, for the levy year in which the referendum making this Law applicable to the taxing district is held, or for those taxing districts subject to this Law in accordance with paragraph (2) of subsection (e) of Section 18-213 for the 1996 levy year, constituting an extension for payment of principal and interest on bonds issued by the taxing district without referendum, but not including excluded non-referendum bonds. For park districts (i) that were first subject to this Law in 1991 or 1995 and (ii) whose extension for the 1994 levy year for the payment of principal and interest on bonds issued by the park district without referendum (but not including excluded non-referendum bonds) was less than 51% of the amount for the 1991 levy year constituting an extension for payment of principal and interest on bonds issued by the park district without referendum (but not including excluded non-referendum bonds), "debt service extension base" means an amount equal to that portion of the extension for the 1991 levy year constituting an extension for payment of principal and interest on bonds issued by the park district without referendum (but not including excluded non-referendum bonds). The debt service extension base may be established or increased as provided under Section 18-212. "Excluded non-referendum bonds" means (i) bonds authorized by Public Act 88-503 and issued under Section 20a of the Chicago Park District Act for aquarium and museum projects; (ii) bonds issued under Section 15 of the Local Government Debt Reform Act; or (iii) refunding obligations issued to refund or to continue to refund obligations initially issued pursuant to referendum.

"Special purpose extensions" include, but are not limited to, extensions for levies made on an annual basis for unemployment and workers' compensation, self-insurance,

contributions to pension plans, and extensions made pursuant to Section 6-601 of the Illinois Highway Code for a road district's permanent road fund whether levied annually or not. The extension for a special service area is not included in the aggregate extension.

"Aggregate extension base" means the taxing district's last preceding aggregate extension as adjusted under Sections 18-215 through 18-230.

"Levy year" has the same meaning as "year" under Section 1-155.

"New property" means (i) the assessed value, after final board of review or board of appeals action, of new improvements or additions to existing improvements on any parcel of real property that increase the assessed value of that real property during the levy year multiplied by the equalization factor issued by the Department under Section 17-30, (ii) the assessed value, after final board of review or board of appeals action, of real property not exempt from real estate taxation, which real property was exempt from real estate taxation for any portion of the immediately preceding levy year, multiplied by the equalization factor issued by the Department under Section 17-30, and (iii) in counties that classify in accordance with Section 4 of Article IX of the Illinois Constitution, an incentive property's additional assessed value resulting from a scheduled increase in the level of assessment as applied to the first year final board of review market value. In addition, the county clerk in a county containing a population of 3,000,000 or more shall include in the 1997 recovered tax increment value for any school district, any recovered tax increment value that was applicable to the 1995 tax year calculations.

"Qualified airport authority" means an airport authority organized under the Airport Authorities Act and located in a county bordering on the State of Wisconsin and having a population in excess of 200,000 and not greater than 500,000.

"Recovered tax increment value" means, except as otherwise

provided in this paragraph, the amount of the current year's equalized assessed value, in the first year after a municipality terminates the designation of an area as a redevelopment project area previously established under the Tax Increment Allocation Development Act in the Illinois Municipal Code, previously established under the Industrial Jobs Recovery Law in the Illinois Municipal Code, or previously established under the Economic Development Area Tax Increment Allocation Act, of each taxable lot, block, tract, or parcel of real property in the redevelopment project area over and above the initial equalized assessed value of each property in the redevelopment project area. For the taxes which are extended for the 1997 levy year, the recovered tax increment value for a non-home rule taxing district that first became subject to this Law for the 1995 levy year because a majority of its 1994 equalized assessed value was in an affected county or counties shall be increased if a municipality terminated the designation of an area in 1993 as a redevelopment project area previously established under the Tax Increment Allocation Development Act in the Illinois Municipal Code, previously established under the Industrial Jobs Recovery Law in the Illinois Municipal Code, or previously established under the Economic Development Area Tax Increment Allocation Act, by an amount equal to the 1994 equalized assessed value of each taxable lot, block, tract, or parcel of real property in the redevelopment project area over and above the initial equalized assessed value of each property in the redevelopment project area. In the first year after a municipality removes a taxable lot, block, tract, or parcel of real property from a redevelopment project area established under the Tax Increment Allocation Development Act in the Illinois Municipal Code, the Industrial Jobs Recovery Law in the Illinois Municipal Code, or the Economic Development Area Tax Increment Allocation Act, "recovered tax increment value" means the amount of the current year's equalized assessed value of each taxable lot, block, tract, or parcel of real property removed from the redevelopment project area over

and above the initial equalized assessed value of that real property before removal from the redevelopment project area.

Except as otherwise provided in this Section, "limiting rate" means a fraction the numerator of which is the last preceding aggregate extension base times an amount equal to one plus the extension limitation defined in this Section and the denominator of which is the current year's equalized assessed value of all real property in the territory under the jurisdiction of the taxing district during the prior levy year. For those taxing districts that reduced their aggregate extension for the last preceding levy year, the highest aggregate extension in any of the last 3 preceding levy years shall be used for the purpose of computing the limiting rate. The denominator shall not include new property ~~or.~~ ~~The denominator shall not include~~ the recovered tax increment value. If a new rate, a rate decrease, or a limiting rate increase has been approved at an election held after March 21, 2006, then (i) the otherwise applicable limiting rate shall be increased by the amount of the new rate or shall be reduced by the amount of the rate decrease, as the case may be, or (ii) in the case of a limiting rate increase, the limiting rate shall be equal to the rate set forth in the proposition approved by the voters for each of the years specified in the proposition, after which the limiting rate of the taxing district shall be calculated as otherwise provided.

(Source: P.A. 92-547, eff. 6-13-02; 93-601, eff. 1-1-04; 93-606, eff. 11-18-03; 93-612, eff. 11-18-03; 93-689, eff. 7-1-04; 93-690, eff. 7-1-04; 93-1049, eff. 11-17-04; revised 12-14-04.)

(35 ILCS 200/18-190)

Sec. 18-190. Direct referendum; new rate or increased limiting rate.

(a) If a new rate ~~or a rate increase~~ is authorized by statute to be imposed without referendum or is subject to a backdoor referendum, as defined in Section 28-2 of the Election

Code, the governing body of the affected taxing district before levying the new rate ~~or rate increase~~ shall submit the new rate ~~or rate increase~~ to direct referendum under the provisions of this Section and of Article 28 of the Election Code. Notwithstanding the provisions, requirements, or limitations of any other law, any tax levied for the 2005 levy year and all subsequent levy years by any taxing district subject to this Law may be extended at a rate exceeding the rate established for that tax by referendum or statute, provided that the rate does not exceed the statutory ceiling above which the tax is not authorized to be further increased either by referendum or in any other manner. Notwithstanding the provisions, requirements, or limitations of any other law, all taxing districts subject to this Law shall follow the provisions of this Section whenever seeking referenda approval after March 21, 2006 to (i) levy a new tax rate authorized by statute or (ii) increase the limiting rate applicable to the taxing district. All taxing districts subject to this Law are authorized to seek referendum approval of each proposition described and set forth in this Section.

The proposition seeking to obtain referendum approval to levy a new tax rate as authorized in clause (i) shall be in substantially the following form:

Shall ... (insert legal name, number, if any, and county or counties of taxing district and geographic or other common name by which a school or community college district is known and referred to), Illinois, be authorized to levy a new tax for ... purposes and have an additional tax of ...% of the equalized assessed value of the taxable property therein extended for such purposes?

The votes must be recorded as "Yes" or "No".

The proposition seeking to obtain referendum approval to increase the limiting rate as authorized in clause (ii) shall be in substantially the following form:

Shall the limiting rate under the Property Tax Extension Limitation Law for ... (insert legal name,

number, if any, and county or counties of taxing district and geographic or other common name by which a school or community college district is known and referred to), Illinois, be increased by an additional amount equal to ...% above the limiting rate for levy year ... (insert the most recent levy year for which the limiting rate of the taxing district is known at the time the submission of the proposition is initiated by the taxing district) and be equal to ...% of the equalized assessed value of the taxable property therein for levy year(s) (insert each levy year for which the increase will be applicable, which years must be consecutive and may not exceed 4)?

The votes must be recorded as "Yes" or "No".

The ballot for any proposition submitted pursuant to this Section shall have printed thereon, but not as a part of the proposition submitted, only the following supplemental information (which shall be supplied to the election authority by the taxing district) in substantially the following form:

(1) The approximate amount of taxes extendable at the most recently extended limiting rate is \$..., and the approximate amount of taxes extendable if the proposition is approved is \$....

(2) For the ... (insert the first levy year for which the new rate or increased limiting rate will be applicable) levy year the approximate amount of the additional tax extendable against property containing a single family residence and having a fair market value at the time of the referendum of \$100,000 is estimated to be \$....

(3) Based upon an average annual percentage increase (or decrease) in the market value of such property of %... (insert percentage equal to the average annual percentage increase or decrease for the prior 3 levy years, at the time the submission of the proposition is initiated by the taxing district, in the amount of (A) the equalized assessed value of the taxable property in the taxing district less (B) the new property included in the

equalized assessed value), the approximate amount of the additional tax extendable against such property for the ... levy year is estimated to be \$... and for the ... levy year is estimated to be \$

(4) If the proposition is approved, the aggregate extension for ... (insert each levy year for which the increase will apply) will be determined by the limiting rate set forth in the proposition, rather than the otherwise applicable limiting rate calculated under the provisions of the Property Tax Extension Limitation Law (commonly known as the Property Tax Cap Law).

The approximate amount of taxes extendable shown in paragraph (1) shall be computed upon the last known equalized assessed value of taxable property in the taxing district (at the time the submission of the proposition is initiated by the taxing district). Paragraph (3) shall be included only if the increased limiting rate will be applicable for more than one levy year and shall list each levy year for which the increased limiting rate will be applicable. The additional tax shown for each levy year shall be the approximate dollar amount of the increase over the amount of the most recently completed extension at the time the submission of the proposition is initiated by the taxing district. The approximate amount of the additional taxes extendable shall be calculated (i) without regard to any property tax exemptions and (ii) based upon the percentage level of assessment prescribed for such property by statute or by ordinance of the county board in counties which classify property for purposes of taxation in accordance with Section 4 of Article IX of the Constitution. Paragraph (4) shall be included if the proposition concerns a limiting rate increase but shall not be included if the proposition concerns a new rate. Any notice required to be published in connection with the submission of the proposition shall also contain this supplemental information and shall not contain any other supplemental information regarding the proposition. Any error, miscalculation, or inaccuracy in computing any amount set forth

on the ballot and in the notice that is not deliberate shall not invalidate or affect the validity of any proposition approved. Notice of the referendum shall be published and posted as otherwise required by law, and the submission of the proposition shall be initiated as provided by law.

If a majority of all ballots cast on the proposition are in favor of the proposition, the following provisions shall be applicable to the extension of taxes for the taxing district:

(A) a new tax rate shall be first effective for the levy year in which the new rate is approved;

(B) if the proposition provides for a new tax rate, the taxing district is authorized to levy a tax after the canvass of the results of the referendum by the election authority for the purposes for which the tax is authorized;

(C) a limiting rate increase shall be first effective for the levy year in which the limiting rate increase is approved, provided that the taxing district may elect to have a limiting rate increase be effective for the levy year prior to the levy year in which the limiting rate increase is approved unless the extension of taxes for the prior levy year occurs 30 days or less after the canvass of the results of the referendum by the election authority in any county in which the taxing district is located;

(D) in order for the limiting rate increase to be first effective for the levy year prior to the levy year of the referendum, the taxing district must certify its election to have the limiting rate increase be effective for the prior levy year to the clerk of each county in which the taxing district is located not more than 2 days after the date the results of the referendum are canvassed by the election authority; and

(E) if the proposition provides for a limiting rate increase, the increase may be effective regardless of whether the proposition is approved before or after the taxing district adopts or files its levy for any levy year.

Rates required to extend taxes on levies subject to a

backdoor referendum in each year there is a levy are not new rates or rate increases under this Section if a levy has been made for the fund in one or more of the preceding 3 levy years. Changes made by this amendatory Act of 1997 to this Section in reference to rates required to extend taxes on levies subject to a backdoor referendum in each year there is a levy are declarative of existing law and not a new enactment.

(b) Whenever other applicable law authorizes a taxing district subject to the limitation with respect to its aggregate extension provided for in this Law to issue bonds or other obligations either without referendum or subject to backdoor referendum, the taxing district may elect for each separate bond issuance to submit the question of the issuance of the bonds or obligations directly to the voters of the taxing district, and if the referendum passes the taxing district is not required to comply with any backdoor referendum procedures or requirements set forth in the other applicable law. The direct referendum shall be initiated by ordinance or resolution of the governing body of the taxing district, and the question shall be certified to the proper election authorities in accordance with the provisions of the Election Code.

(Source: P.A. 88-455; 88-670, eff. 12-2-94; 89-385, eff. 8-18-95; 89-718, eff. 3-7-97.)

(35 ILCS 200/18-205)

Sec. 18-205. Referendum to increase the extension limitation. A taxing district is limited to an extension limitation ~~increase~~ of 5% or the percentage increase in the Consumer Price Index during the 12-month calendar year preceding the levy year, whichever is less. A taxing district may increase its extension limitation for one or more levy years ~~a current levy year~~ if that taxing district holds a referendum before the levy date for the first levy year at which a majority of voters voting on the issue approves adoption of a higher extension limitation. Referenda shall be

conducted at a regularly scheduled election in accordance with the Election Code ~~provided that notice of the referendum, if held before July 1, 1999, has been given in accordance with the provisions of Section 12-5 of the Election Code in effect at the time of the bond referendum, at least 10 and not more than 45 days before the date of the election, notwithstanding the time for publication otherwise imposed by Section 12-5. Notices required in connection with the submission of public questions on or after July 1, 1999 shall be as set forth in Section 12-5 of the Election Code.~~ The question shall be presented in substantially the following manner for all elections held after March 21, 2006:

Shall the extension limitation under the Property Tax Extension Limitation Law for (insert the legal name, number, if any, and county or counties of the taxing district and geographic or other common name by which a school or community college district is known and referred to), Illinois, be increased from the lesser of 5% or the percentage increase in the Consumer Price Index over the prior levy year to (insert the percentage of the proposed increase)% per year for (insert each levy year for which the increased extension limitation will apply)?

The votes must be recorded as "Yes" or "No".

~~Shall the extension limitation under the Property Tax Extension Limitation Law for ... (taxing district name) ... be increased from ... (the lesser of 5% or the increase in the Consumer Price Index over the prior levy year) ...% to ... (percentage of proposed increase) ...% for the ... (levy year) ... levy year?~~

If a majority of voters voting on the issue approves the adoption of the increase, the increase shall be applicable for

each ~~the~~ levy year specified.

The ballot for any question submitted pursuant to this Section shall have printed thereon, but not as a part of the question submitted, only the following supplemental information (which shall be supplied to the election authority by the taxing district) in substantially the following form:

(1) For the (insert the first levy year for which the increased extension limitation will be applicable) levy year the approximate amount of the additional tax extendable against property containing a single family residence and having a fair market value at the time of the referendum of \$100,000 is estimated to be \$....

(2) Based upon an average annual percentage increase (or decrease) in the market value of such property of ...% (insert percentage equal to the average annual percentage increase or decrease for the prior 3 levy years, at the time the submission of the question is initiated by the taxing district, in the amount of (A) the equalized assessed value of the taxable property in the taxing district less (B) the new property included in the equalized assessed value), the approximate amount of the additional tax extendable against such property for the ... levy year is estimated to be \$... and for the ... levy year is estimated to be \$....

Paragraph (2) shall be included only if the increased extension limitation will be applicable for more than one year and shall list each levy year for which the increased extension limitation will be applicable. The additional tax shown for each levy year shall be the approximate dollar amount of the increase over the amount of the most recently completed extension at the time the submission of the question is initiated by the taxing district. The approximate amount of the additional tax extendable shall be calculated by using (A) the lesser of 5% or the percentage increase in the Consumer Price Index for the prior levy year (or an estimate of the percentage increase for the prior levy year if the increase is unavailable

at the time the submission of the question is initiated by the taxing district), (B) the percentage increase proposed in the question, and (C) the last known equalized assessed value and aggregate extension base of the taxing district at the time the submission of the question is initiated by the taxing district. The approximate amount of the tax extendable shall be calculated (i) without regard to any property tax exemptions and (ii) based upon the percentage level of assessment prescribed for such property by statute or by ordinance of the county board in counties which classify property for purposes of taxation in accordance with Section 4 of Article IX of the Constitution. Any notice required to be published in connection with the submission of the question shall also contain this supplemental information and shall not contain any other supplemental information. Any error, miscalculation, or inaccuracy in computing any amount set forth on the ballot or in the notice that is not deliberate shall not invalidate or affect the validity of any proposition approved. Notice of the referendum shall be published and posted as otherwise required by law, and the submission of the question shall be initiated as provided by law.

(Source: P.A. 90-812, eff. 1-26-99; 91-57, eff. 6-30-99.)

(35 ILCS 200/18-230)

Sec. 18-230. Rate increase or decrease factor. Only when ~~When~~ a new rate or a rate increase or decrease ~~first effective for the current levy year~~ has been approved by referendum held prior to March 22, 2006, the aggregate extension base, as adjusted in Section ~~Sections~~ 18-215 ~~and 18-220~~, shall be multiplied by a rate increase (or decrease) factor. The numerator of the rate increase (or decrease) factor is the total combined rate for the funds that made up the aggregate extension for the taxing district for the prior year plus the rate increase approved or minus the rate decrease approved. The denominator of the rate increase or decrease factor is the total combined rate for the funds that made up the aggregate

extension for the prior year. For those taxing districts for which a new rate or a rate increase has been approved by referendum held after December 31, 1988 and prior to March 22, 2006, and that did not increase their rate to the new maximum rate for that fund, the rate increase factor shall be adjusted for 4 levy years after the year of the referendum (unless the governing body of a taxing district to which this Law applied before the 1995 levy year that approved a tax rate increase at a general election held after 2002 directs the county clerk or clerks by resolution to make such adjustment for a lesser number of years) by a factor the numerator of which is the portion of the new or increased rate for which taxes were not extended plus the aggregate rate in effect for the levy year prior to the levy year in which the referendum was passed and the denominator of which is the aggregate rate in effect for the levy year prior to the levy year in which the referendum was passed.

(Source: P.A. 87-17; 88-455.)

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