



City of Chicago



SO2015-6461

Office of the City Clerk

Document Tracking Sheet

Meeting Date: 9/24/2015

Sponsor(s): Moreno (1)
Moore (49)
Dowell (3)
Solis (25)
Pawar (47)
Sawyer (6)
Cappleman (46)
Santiago (31)
Scott, Jr. (24)
Moore (17)
Mitts (37)
Curtis (18)
Thompson (11)
Ramirez-Rosa (35)
Burnett (27)
Quinn (13)
Reboyas (30)
Beale (9)
Arena (45)

Type: Ordinance

Title: Amendment of Municipal Code Chapter 2-32 by adding new Section 2-32-627 entitled "Property Tax Relief Program"

Committee(s) Assignment: Committee on Finance

3

SUBSTITUTE
ORDINANCE
AS AMENDED

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. Chapter 2-32 of the Municipal Code of Chicago is hereby amended by inserting a new Section 2-32-627, as follows:

2-32-627 Property tax relief program.

(a) As used in this section:

“Adjusted Gross Income” or “AGI” means adjusted gross income as defined in the Internal Revenue Code of the United States of America, 26 U.S.C. § 62.

“Applicable year” means tax year 2015.

“Director” means the Director of the Office of Budget and Management of the City of Chicago, or the Director’s designee.

“Homeowner” means an individual who, at the time of the application and since January 1, 2014: (i) was the owner of record of, or had a legal or equitable interest in, property in this city that was used by the individual as the individual’s principal place of residence; and (ii) was liable for paying the property taxes on the property, either directly or indirectly as the owner of a unit in a residential cooperative or as the owner of a beneficial interest in an Illinois land trust. For purposes of the definition of “homeowner,” an equitable interest shall include a beneficial interest in property that is held by the owner of a unit in a residential cooperative or in an Illinois land trust.

“Household” means the homeowner and the spouse or domestic partner of the homeowner.

“Household adjusted gross income” or “HAGI” means the combined adjusted gross income of the household for the applicable year.

“Property taxes” means the taxes on real property for which a homeowner is liable under the Property Tax Code, 35 ILCS 200/1-1 et seq., when that property is used by the homeowner as the homeowner’s principal place of residence.

“Property tax increase” means the amount by which the property taxes payable to the City of Chicago in tax year 2015 exceeds the property taxes payable to the City of Chicago in tax year 2014 for the same property.

“Senior homeowner” means any homeowner who is 60 years of age or older as of January 1, 2016.

(b) The Director is authorized to establish and administer a property tax relief program under this section for the purpose of providing assistance to certain homeowners whose property tax liability has risen, particularly relative to their household incomes as provided in this section, and supplemental assistance to certain long term senior homeowners whose property tax liability has risen. Under this program, a homeowner who meets the eligibility requirements under this section may receive a grant in the amount specified in this section. A homeowner shall be eligible for a grant under this section, if:

- (1) the homeowner is granted the Homeowner’s Exemption for the applicable year as specified in 35 ILCS 200/15-175;
- (2) the homeowner is not delinquent in payment of property taxes on any property in the city; and
- (3) the property tax increase for the property and the homeowner’s household adjusted gross income are within the ranges specified in subsection (c).

(c) The amount of the grant to a homeowner meeting the eligibility requirements specified in subsection (b) shall be as set forth in the following chart, but shall not exceed the amount of that homeowner’s property tax increase:

Grant Chart			
Property Tax Increase Amount	HAGI \$ 0 to \$24,999 Grant Amount	HAGI \$25,000 to \$49,999 Grant Amount	HAGI \$50,000 to \$75,000 Grant Amount
\$0-\$49.99	\$25	\$25	\$0
\$50-\$99.99	\$50	\$25	\$0
\$100-\$149.99	\$75	\$50	\$25
\$150-\$199.99	\$100	\$75	\$50
\$200-\$249.99	\$125	\$100	\$75
\$250-\$299.99	\$150	\$125	\$100
\$300-\$349.99	\$175	\$150	\$125
\$350+	\$200	\$175	\$150

(d) A senior homeowner who satisfies the eligibility requirements of subsection (b), whose household adjusted gross income is less than \$75,000, and whose Equalized Assessed Value of his or her residence has increased by 30% or more in the most recent Cook County triennial assessment, may also apply for and receive a senior supplement grant of \$150.00 if the senior homeowner:

- (1) has used the property identified in the grant application as his or her principal place of residence since January 1, 1998 or longer;
- (2) has not received the Senior Freeze for the applicable year pursuant to 35 ILCS 200/15-172; and
- (3) has not received the Homestead Improvement Exemption for the applicable year pursuant to 35 ILCS 200/15-180.

(e) No property tax relief grant or senior supplement grant shall be allowed if an applicant owes the city a debt, as defined in section 4-4-150(a)(1) and (a)(3) of this Code; provided, however, that the Director may allow a grant if: (i) the applicant has entered into a written agreement with the department or other appropriate city department for the payment of all debts owed the city and such applicant is in compliance with the agreement; or (ii) the applicant is contesting liability for or the amount of the debt in a pending administrative or judicial proceeding; or (iii) the applicant is a debtor in a pending case under the Bankruptcy Code in which an automatic stay is in effect; or (iv) the grant is first applied against the outstanding balance of debt owed by the applicant.

(f) To obtain a property tax relief grant and/or a senior supplement grant, a homeowner or senior homeowner shall file an application with the Office of Budget and Management or its designee. The application shall be on a form prescribed by the Director, and shall include all evidence reasonably required by the Director to show that the applicant is eligible to obtain a property tax relief grant and/or senior supplement grant, as applicable, under this section.

(g) The Director shall have authority to expend up to \$20,000,00.00 of legally available funds for the implementation of this section. For purposes of this section, 2016 revenues in excess of actual expenses shall be deemed legally available and are hereby appropriated for purposes of the program established by this Ordinance. However, the program created pursuant to this section shall be suspended at any time that no funds are legally available for the program. The Director shall additionally have authority to enter into agreements and execute documents necessary to implement this section (including entering into agreements with an entity or entities selected by the Director, on such terms as the Director determines reasonable, to process applications under the program), to promulgate rules necessary or appropriate to implement this section, and to prescribe application forms and other forms necessary to elicit relevant information concerning participants in the property tax relief program. The Director may conduct audits to determine eligibility of an applicant to participate in the program created pursuant to this section. Any personal financial information provided to the City in connection with an application submitted under this section shall remain confidential. The Director shall also have authority to develop criteria for, implement and administer an enhanced grant that exceeds the amount set forth in Subsection (c) of this section in individual cases of extraordinary hardship. Any such enhanced grant shall not exceed the amount of that homeowner's property tax increase.

(h) This section shall be repealed on December 31, 2016. Such repeal shall not affect the Director's ability to process applications filed under subsection (f) prior to such date.

SECTION 2. This ordinance shall take full force and effect upon its passage and approval.

Carle Ramirez - 35
P. Joseph Mena 35
Walter [unclear] 27
Mary Ann 13
Pat Howell, 3rd
Gregory [unclear]
Diana [unclear] 17
Anna [unclear] 37
Derek [unclear] 48
Pat [unclear] 11
[Signature] 30
[Signature] 45

3

CHICAGO July 20, 2016

To the President and Members of the City Council:

Your Committee on Finance having had under consideration

A substitute ordinance concerning the authority to amend Chapter 2-32 of the Municipal Code of Chicago by adding a new Section 2-32-627 concerning the Property Tax Increase and Tax Relief Program.

O2015-6461

having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the Substitute Ordinance transmitted herewith.

This recommendation was concurred in by _____ (a viva voce dissenting vote of the members of the committee with _____ vote(s)).

The complete list of sponsors for this Substitute Ordinance are as follows: Aldermen Moreno, J. Moore, Dowell, Solis, Pawar, Sawyer, Cappleman, Santiago, Scott, D. Moore, Mitts, Curtis, Thompson, Ramirez-Rosa, Burnett, Quinn, Reboyras, Beale and Arena, 1st, 49th, 3rd, 25th, 47th, 6th, 46th, 31st, 24th, 17th, 37th, 18th, 11th, 35th, 27th, 13th, 30th, 9th and 45th Wards.

Respectfully submitted

(signed) Edward and M. B...
Chairman