

SB0221



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB0221

Introduced 1/22/2025, by Sen. Michael W. Halpin

SYNOPSIS AS INTRODUCED:

35 ILCS 200/15-35

Amends the Property Tax Code. Provides that property that is donated, granted, received, or used for a licensed not-for-profit child care center is exempt.

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A BILL FOR

1 AN ACT concerning revenue.

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

4 Section 5. The Property Tax Code is amended by changing
5 Section 15-35 as follows:

6 (35 ILCS 200/15-35)

7 Sec. 15-35. Schools. All property donated by the United
8 States for school purposes, and all property of schools, not
9 sold or leased or otherwise used with a view to profit, is
10 exempt, whether owned by a resident or non-resident of this
11 State or by a corporation incorporated in any state of the
12 United States. Also exempt is:

13 (a) property of schools which is leased to a
14 municipality to be used for municipal purposes on a
15 not-for-profit basis;

16 (b) property of schools on which the schools are
17 located and any other property of schools used by the
18 schools exclusively for school purposes, including, but
19 not limited to, student residence halls, dormitories and
20 other housing facilities for students and their spouses
21 and children, staff housing facilities, and school-owned
22 and operated dormitory or residence halls occupied in
23 whole or in part by students who belong to fraternities,

1 sororities, or other campus organizations;

2 (c) property donated, granted, received, or used for
3 public school, college, theological seminary, university,
4 or other educational purposes, including licensed
5 not-for-profit child care centers, whether held in trust
6 or absolutely;

7 (d) in counties with more than 200,000 inhabitants
8 which classify property, property (including interests in
9 land and other facilities) on or adjacent to (even if
10 separated by a public street, alley, sidewalk, parkway or
11 other public way) the grounds of a school, if that
12 property is used by an academic, research or professional
13 society, institute, association or organization which
14 serves the advancement of learning in a field or fields of
15 study taught by the school and which property is not used
16 with a view to profit;

17 (e) property owned by a school district. The exemption
18 under this subsection is not affected by any transaction
19 in which, for the purpose of obtaining financing, the
20 school district, directly or indirectly, leases or
21 otherwise transfers the property to another for which or
22 whom property is not exempt and immediately after the
23 lease or transfer enters into a leaseback or other
24 agreement that directly or indirectly gives the school
25 district a right to use, control, and possess the
26 property. In the case of a conveyance of the property, the

1 school district must retain an option to purchase the
2 property at a future date or, within the limitations
3 period for reverters, the property must revert back to the
4 school district.

5 (1) If the property has been conveyed as described
6 in this subsection, the property is no longer exempt
7 under this Section as of the date when:

8 (A) the right of the school district to use,
9 control, and possess the property is terminated;

10 (B) the school district no longer has an
11 option to purchase or otherwise acquire the
12 property; and

13 (C) there is no provision for a reverter of
14 the property to the school district within the
15 limitations period for reverters.

16 (2) Pursuant to Sections 15-15 and 15-20 of this
17 Code, the school district shall notify the chief
18 county assessment officer of any transaction under
19 this subsection. The chief county assessment officer
20 shall determine initial and continuing compliance with
21 the requirements of this subsection for tax exemption.
22 Failure to notify the chief county assessment officer
23 of a transaction under this subsection or to otherwise
24 comply with the requirements of Sections 15-15 and
25 15-20 of this Code shall, in the discretion of the
26 chief county assessment officer, constitute cause to

1 terminate the exemption, notwithstanding any other
2 provision of this Code.

3 (3) No provision of this subsection shall be
4 construed to affect the obligation of the school
5 district to which an exemption certificate has been
6 issued under this Section from its obligation under
7 Section 15-10 of this Code to file an annual
8 certificate of status or to notify the chief county
9 assessment officer of transfers of interest or other
10 changes in the status of the property as required by
11 this Code.

12 (4) The changes made by this amendatory Act of the
13 91st General Assembly are declarative of existing law
14 and shall not be construed as a new enactment; and

15 (f) in counties with more than 200,000 inhabitants
16 which classify property, property of a corporation, which
17 is an exempt entity under paragraph (3) of Section 501(c)
18 of the Internal Revenue Code or its successor law, used by
19 the corporation for the following purposes: (1) conducting
20 continuing education for professional development of
21 personnel in energy-related industries; (2) maintaining a
22 library of energy technology information available to
23 students and the public free of charge; and (3) conducting
24 research in energy and environment, which research results
25 could be ultimately accessible to persons involved in
26 education.

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1 (Source: P.A. 91-513, eff. 8-13-99; 91-578, eff. 8-14-99;
2 92-16, eff. 6-28-01.)