

# Illinois Homestead Exemptions

You may save substantial money on your property taxes if you qualify for a Homestead Exemption. The four most common in Illinois are:

**General Homestead Exemption (GHE)**

**Homestead Improvement Exemption**

**Senior Citizens Assessment Freeze Homestead Exemption (SCAFHE)**

**Senior Citizens Homestead Exemption**

Below we give a short synopsis of each exemption. We do not offer a form for a General Exemption because the majority of counties don't offer one and they recommend contacting the local Assessor. Other forms needed are listed under the type of exemption. If you think you qualify for one of these exemptions, go to our **assessor's contact list** for their information.

## General Homestead Exemption (GHE)

This annual exemption is available for "residential property that is occupied by its owner or owners as his or their principal dwelling place, or that is a leasehold interest on which a single family residence is situated, which is occupied as a residence by a person who has an ownership interest therein, legal or equitable or as a lessee, and on which the person is liable for the payment of property taxes." (35 ILCS 200/15-175) The amount of exemption is the increase in the current year's equalized assessed value (EAV), above the 1977 EAV, up to a maximum \$6,000

### To be eligible for exemption:

- The property must be occupied as the primary residence by the eligible taxpayer as of January 1st.
- The eligible taxpayer must be liable for paying the real estate taxes on the property.
- The eligible taxpayer must be an owner of record of the property or have a legal or equitable interest in the property as evidenced by a written instrument. In the case of a leasehold interest in property, contact the County Assessment Office for the correct application. In the case of a life estate, the life estate must have been established by a document recorded by the County Recorder.

If a homestead exemption has been granted under this Section and the person awarded the exemption subsequently becomes a resident of a facility licensed under the Illinois Nursing Home Care Act or Illinois MR/DD Community Care Act, then the exemption shall continue as long as the residence continues to be occupied by the qualifying person's spouse, or if the residence remains unoccupied but is still owned by the person qualified for the homestead exemption.

**Application.** After initial approval, the exemptions will be renewed automatically. If the property is no longer eligible for the exemption, it is the responsibility of the taxpayer to remove the exemption to avoid possible interest and penalties.

**Exemption Amount.** Under 35 ILCS 200/15-175, qualified taxpayers are permitted an exemption that will remove up to \$6,000 from the equalized assessed value before taxes are calculated.

## **Homestead Improvement Exemption**

This exemption is limited to the fair cash value, up to an annual maximum of \$75,000 (or \$25,000 in assessed value, which is 33 1/3 percent of fair cash value), that was added to homestead property by any new improvement (e.g., remodeling, adding a new room) or rebuilding after a catastrophic event, and continues for four years from the date the improvement or rebuilding is completed and occupied. The exemption continues for four years from the date the improvement is completed and occupied. The Homestead Improvement Exemption may be granted automatically or a Form PTAX-323, Application for Homestead Improvement Exemption may be required by the Chief County Assessment Office.

In Cook County, an application must be filed with the County Assessor along with a valuation complaint. For information and to apply, contact the Cook County Assessor's Office; all other counties contact the Assessor's Office.

(35 ILCS 200/15-173)

## **Senior Citizens Assessment Freeze Homestead Exemption (SCAFHE)**

A person qualifies for this exemption if the person

- is at least 65 years old;
- has a total household income of \$55,000 or less; and
- meets certain other qualifications.

This exemption "freezes" the senior citizen's property's equalized assessed value the year that the senior citizen qualifies for the exemption. The property's equalized assessed value does not increase as long as qualification for the exemption continues. The tax bill may still increase if any tax rates are increased or if improvements are added that increase the value of the property.

This exemption allows senior citizens who meet the qualifications to elect to maintain the equalized assessed value (EAV) of their homes at the base year EAV and prevent any increase in that value due to inflation. The amount of the exemption benefit is determined each year based on (1) the property's current EAV minus the frozen base year value (the property's prior year's EAV for which the applicant first qualifies for the exemption), and (2) the applicant's total household maximum income limitation.

Each year applicants must file a Form PTAX-340, Senior Citizens Assessment Freeze Homestead Exemption Application and Affidavit, with the Chief County Assessment Office.

(35 ILCS 200/15-170)

## **Senior Citizens Homestead Exemption**

This annual exemption is available for property that is occupied as a residence by a person 65 years of age or older who is liable for paying real estate taxes on the property and is an owner of record of the property or has a legal or equitable interest therein as evidenced by a written instrument, except for a leasehold interest, other than a leasehold interest of land on which a single family residence is located, which is occupied as a residence by a person 65 years or older who has an ownership interest therein, legal, equitable or as a lessee, and on which he or she is liable for the payment of property taxes. The maximum amount of the reduction in equalized assessed value is \$5,000 in all counties.

Filing requirements vary by county; some counties require an initial Form PTAX-324, Application for Senior Citizens Homestead Exemption, or a Form PTAX-329, Certificate of Status Form for Senior Citizens Homestead Exemption (annual renewal application) to be filed with the Chief County Assessment Office. In Cook County, an application must be filed annually with the Cook County Assessor's Office. (320 ILCS 30)