

Senior Freeze – General Information

What is the Senior Citizens Assessment Freeze Homestead Exemption?

The Senior Citizens Assessment Freeze Homestead Exemption (35 ILCS 200/15-172) allows you, as a qualified senior citizen, to have your equalized assessed value “frozen” at a base year value and prevent or limit any increase due to inflation. The base year generally is the year before the year you first qualify and apply for the exemption. For example, if you first qualify and apply in 2020, your property’s assessed value will be frozen at the 2019 amount. Freezing your property’s assessed value does not mean that your property taxes will not increase. Other factors also affect your tax bill. For example, your tax bill could increase if the tax rate, which is based on the amount of revenues taxing districts request, increases. Your assessed value and tax bill may also increase if you add improvements to your home. However, if your home’s value decreases in the future, you will benefit from any reduction.

Who is eligible?

The senior citizens assessment freeze qualifications for the 2020 tax year (for the property taxes you will pay in 2021) are listed below.

- You will be 65 or older during 2020.
- Your total household income in 2019 was \$65,000 or less.
- On January 1, 2019 and January 1, 2020, you
 - used the property as your principal place of residence
 - owned the property, or had a legal or equitable interest in the property as evidenced by a written instrument, or had a leasehold interest in the property used as a single-family residence, and
 - were liable for the payment of the property taxes

You do not qualify for this exemption if your property is assessed under the mobile home privilege tax.

Surviving Spouse – Even if you are not 65 or older during 2020, you are eligible for this exemption for 2020 (and possibly 2019) if your spouse passed away in 2020 and would have met all of the qualifications.

Residents in a health facility – Even if you did not use the property as your principal place of residence on January 1, 2020, you qualify for this exemption if you are a resident of a facility licensed under the Assisted Living and Shared Housing Act, Nursing Home Care Act, ID/DD (intellectually disabled/developmentally disabled) Community Care Act, or Specialized Mental Health Rehabilitation Act of 2014 and you meet all other requirements, have received this exemption previously, and your property is either unoccupied or is occupied by your spouse.

Residents of cooperatives – If you are a resident of a cooperative apartment building or cooperative life-care facility, you qualify for this exemption if you are liable for the payment of the property taxes on your residence and meet the other eligibility requirements.

What is a household?

A household includes you, your spouse, and all other persons who used your residence as a principal dwelling place on January 1, 2020.

What is included in household income?

Household income includes your income, your spouse’s income, and the income of all individuals living in the household. Examples of income that must be included in your household income are listed below.

- alimony or maintenance received
- annuities and other pensions
- black Lung benefits
- business income
- capital gains
- cash assistance from the IL Dept of Human Services and other governmental cash public assistance
- cash winnings from such sources as raffles and lotteries
- civil service benefits
- damages awarded in a lawsuit for nonphysical injury or sickness (for example, age discrimination or injury to reputation)
- dividends
- farm income
- Illinois Income Tax refund (only if you received Form 1099-G)

- interest
- interest received on life insurance policies
- long term care insurance (federally taxable portion only)
- lump sum Social Security payments
- miscellaneous income, such as from rummage sales, recycling, or babysitting
- military retirement pay based on age or length of service
- monthly insurance benefits
- pension and IRA benefits (federally taxable portion only)
- railroad retirement benefits (including Medicare deductions)
- rental income
- Social Security Income (including Medicare deductions)
- Supplemental Security Income (SSI) benefits
- all unemployment compensation
- wages, salaries and tips from work
- Workers’ Compensation Act income
- Workers’ Occupational Diseases Act income

What is not included in household income?

Some examples of income that are not included in household income are listed below.

- cash gifts
- child support payments
- Circuit Breaker grants
- COBRA subsidy payments
- damages awarded in a lawsuit for physical personal injury or sickness
- Energy Assistance payments
- federal income tax refunds
- IRA’s “rolled over” into other retirement accounts, unless “rolled over” into a Roth IRA
- lump sums from inheritances
- lump sums from insurance policies
- money borrowed against a life insurance policy or from any financial institution
- reverse mortgage payments
- spousal impoverishment payments
- stipends from Foster Parent and Foster Grandparent programs
- Veterans’ benefits

What if I have a net operating loss or capital loss carryover from a previous year?

You cannot include any carryover of net operating loss or capital loss from a previous year. You can include only a net operating loss or capital loss that occurred in 2019.

Will my information remain confidential?

All information received from your application is confidential and shall be used only for official purposes.

When must I file?

File the Senior Citizen Assessment Freeze application by December 31, 2020. You must file this form **every year** and meet the qualifications for that year to receive this exemption.

Note: The County Assessment Office may require additional documentation (i.e., birth certificate, tax return) to verify the information on the application. If you are a first-time applicant for this exemption, you must provide a copy of your Federal Tax Return.

What if I need additional assistance?

If you have questions about the Senior Citizen Assessment Freeze application, please call the Lee County Assessment Office, phone (815) 288-4483. Office hours are Monday - Friday, 8am - 4:30pm.