

**MONTGOMERY COUNTY SUPERVISOR OF ASSESSMENTS**  
**1 Courthouse Square Room 201-Hillsboro, IL 62049**  
**Phone (217) 532-9595- Fax (217) 532-9599**

**RULES REGARDING GENERAL HOMESTEAD (OWNER-OCCUPIED)  
EXEMPTIONS FOR LEASEHOLD PROPERTIES**

On August 28, 2012, the Governor signed into law Public Act 97-1125 which included new provisions regarding the issuance of general homestead exemptions (owner-occupied exemptions) for leasehold properties. The provisions listed in the Act include:

1. The property must be a single-family home occupied as the primary residence by an eligible taxpayer as of January 1 of the tax year.
2. A notarized application for the exemption, signed by both the owner and the lessee of the property, must be submitted each year during the application period in effect for the county in which the property is located. The application period for Montgomery County is between January 1 and January 31 of each assessment year.
3. A copy of the lease must be filed with the chief county assessment officer by the owner of the property at the time the notarized application is submitted.
4. The lease must expressly state that the lessee is liable for the payment of property taxes; and **the lease must include the following language in substantially the following form:**

***"Lessee shall be liable for the payment of real estate taxes with respect to the residence in accordance with the terms and conditions of 35 ILCS 200/15-175. The permanent real estate index number for the premises is(insert number), and, according to the most recent property tax bill, the current amount of real estate taxes associated with the premises is (insert amount) per year. The parties agree that the monthly rent set forth above shall be increased or decreased pro rata (effective January 1 of each calendar year) to reflect any increase or decrease in real estate taxes. Lessee shall be deemed to be satisfying Lessee's liability for the above mentioned real estate taxes with the monthly rent payments as set forth above (or increased or decreased as set forth herein)."***

If there is a change in lessee, or if the lessee vacates the property, the chief county assessment officer must be notified of the change.

Leasehold properties owned by municipalities are not subject to the new requirements.

All leasehold properties are required to file an application to receive the general homestead exemption yearly. The application period for tax year 2017 ends January 31, 2017. The application period for subsequent years ends on January 31 of the tax year.

The application forms are available in the Supervisor of Assessments office 2nd floor of the Historic Courthouse or online at [montgomeryco.com](http://montgomeryco.com) on the Supervisor of Assessments page. If you have questions please call the Montgomery County Supervisor of Assessments Office at 217-532-9595.