

# Property Tax Exemption Information

## General Homestead Exemption



- Requires an initial application, rentals need annual renewal.
- Requires January 1st **ownership & occupancy**.
- Based on the increase above the 1977 EAV up to \$6,000, whichever is less.
- Amounts to approximate savings of up to \$735 in Rockford for 2021 taxes, payable in 2022.
- Can be granted to single family rentals if the tenant is liable for the taxes.
- [General Homestead Exemption Form](#)
- [2024 Rental/Owner Occupancy Exemption Form](#)
- [2025 Rental/Owner Occupancy Exemption Form](#)

## Senior Citizen Homestead Exemption



- **Application may be made any time in the year owner turns 65 years old**
- Requires ownership & occupancy.
- Reduces the taxable value by \$5,000.
- Amounts to approximate savings of \$613 in Rockford for 2021 taxes, payable in 2022.
- Automatically renews provided senior still owns and occupies residence.
- [Senior Citizen Homestead Exemption Form](#)

## Low-Income Senior Citizen Assessment Freeze Homestead Exemption



- Requires January 1st occupancy for the year of application and the prior year.  
(ex: must have lived in home 1-1-23 and 1-1-24 for 2024 application)
- Requires the total household gross income of \$65,000 or less.
- Requires annual renewal application.
- Establishes "Base Year" and "Base Value" from first year of eligibility and reduces EAV by the difference between current assessment and "Base Value".  
No limit on Reduction. Only applies to owner occupied residences.
- Must be receiving the [Senior Citizen Homestead Exemption](#).
- [2024 Low-Income Senior Citizen Assessment Freeze Homestead Exemption Form \(PTAX 340\)](#)
- [2024 Step-by-Step Income Instructions](#)
- [2025 Low-Income Senior Citizen Assessment Freeze Homestead Exemption Form \(PTAX 340\)](#)
- [2025 Step-by-Step Income Instructions](#)

## Homestead Improvement Exemption



- Single-Family owner-occupied homes only.
- 4-year exemption of an increase in assessment due to a new improvement to an existing home. Township Assessors report eligible amounts.
- Exempts up to \$25,000 in EAV increase.

#### Standard Homestead Exemption for Veterans with Disabilities and Veterans of World War II



- Disability must be a result of armed service.
- Initial application requires proof and percentage of disability. (i.e., Summary of Benefits letter from VA and DD 214 form).
- Annual renewals are sent to properties currently receiving exemption.
- If a veteran has a combined service connected disability rating of 100% **and** is deemed to be permanently and totally disabled, as certified by the United States Department of Veterans Affairs, annual renewal is not required.
- Owner occupied homes only.
- If disability level is from 30% to 49% the reduction is \$2,500 EAV.
- If disability level is from 50% to 69% the reduction is \$5,000 EAV.
- If disability level is from 70% to 100% the property is exempt from property taxes.
- Can be granted to "un-remarried surviving spouses."
- If a veteran was a member of the US Armed Forces during WWII: Initial application for exemption requires proof of service. The reduction is total exemption from property taxes and annual renewal is not required.
- [Standard Homestead Exemption for Veterans with Disabilities Form \(PTAX 342\)](#)
- [Standard Homestead Exemption for Veterans with Disabilities \(RENEWAL\) Form \(PTAX 342-R\)](#)

#### Homestead Exemption for Persons with Disabilities



- Initial application requires proof of total disability. (i.e. a Physician's Statement, a Social Security Award Letter, or an Illinois Persons with Disability ID Card).
- Annual renewals are sent to properties currently receiving exemption.
- Owner occupied homes only.
- Reduces the EAV by \$2,000.
- [Homestead Exemption for Persons with Disabilities Form \(PTAX 343\)](#)
- [Homestead Exemption for Persons with Disabilities \(RENEWAL\) Form \(PTAX 343-R\)](#)
- [Physician's Statement Form\(PTAX 343-A\)](#)

#### Returning Veterans' Homestead Exemption



- A 2 year, \$5,000 per year, EAV reduction for the first and second year the veteran or spouse owned the home after the veteran returns from active duty in an armed conflict.
- [Returning Veterans' Homestead Exemption Form\(PTAX 341\)](#)

#### Veterans with Disabilities Exemption for Specially Adapted Housing



- Applies to housing specially adapted for the veteran's disability.
- Eligibility is certified annually by the Illinois Department of Veterans Affairs.
- Adaptation needs to have been paid for with Federal funds.
- Can be granted to "unmarried surviving spouses."
- Exempts up to \$100,000 EAV.

#### Non-homestead Exemptions for Religious, Charitable, or Educational Organizations



- Properties of religious, charitable, educational organizations, and units of federal, state & local governments are eligible for exemption from property taxes to the extent provided by law
- The Board of Review reviews the application and forwards it to the Illinois Department of Revenue for the final administrative decision