

# IL-1017

# Application for Deferral of Real Estate/ Special Assessment Taxes for Tax Year 2025

Applications must be filed with the county collector on or before March 1, 2026. Entering this program will result in a tax lien being placed on your homestead property and **simple interest** of 3 percent per year being charged on the deferred amounts.

**Step 1: Eligibility information (You must be able to answer “Yes” to the following three questions to apply.)**

- 1 Will you be 65 years of age or older on June 1, 2026? ☐ Yes ☐ No
- 2 Is your residence qualifying property as defined in the application instructions? ☐ Yes ☐ No
- 3 Have you owned and occupied the property listed below as your residence, or other qualifying property in Illinois, for the last three years, except for any periods you may have temporarily resided in a licensed facility as defined in Section 1-113 of the Nursing Home Care Act [210 ILCS 45/1-113] (including a sheltered care home) ? ☐ Yes ☐ No

## Step 2: Applicant information

Is this the first year you have applied for the program? ☐ Yes ☐ No

Check the box that identifies the property ownership. (Check only one.) ☐ individually ☐ jointly ☐ land trust (See instructions.)

Write your homestead property index number (PIN). (See instructions.) \_\_\_\_\_

Your Social Security number \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
Your date of birth \_\_\_\_\_  
(\_\_\_\_\_) \_\_\_\_\_  
Your daytime phone

Your last name	Your first name	Middle initial
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Address of homestead property

City	State	ZIP	County where homestead property is located
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### Step 3: Spouse's information (if applicable)

\_\_\_\_\_-\_\_\_\_\_-\_\_\_\_\_  
Spouse's Social Security number

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Spouse's date of birth

Spouse's last name	Spouse's first name	Middle initial
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### Step 4: Complete the following information

- 1 Calculate your household income for 2025.  
Use Worksheet A on the back of this application and enter your answer here.
  - 2 Calculate your current equity interest in the homestead property.  
Use Worksheet B on the back of this application and enter your answer here.  
Note: The collector must verify that the deferral has not exceeded the amount entered on Line 2 using PTAX-1035, Annual Participant List.
  - 3 Write the percentage (1% to 100%) **OR** the amount of taxes that you wish to defer. **3** \_\_\_\_\_ % **OR** \$ \_\_\_\_\_  
Note: The amount you defer each year cannot be more than \$7,500.

## Step 5: Signatures

As the joint owner or trustee or contract-for-deed seller of the property,  
I give my approval to the applicant to enter into the deferral and  
recovery agreement.

The applicant has provided me with sufficient evidence that the qualifying property is insured against fire or casualty loss for at least the total amount of special assessments and property taxes that have been deferred.

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Signature of joint owner or trustee or  
contract-for-deed seller      Month Day    Year

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Signature of collector      Month Day    Year

I declare under penalties of perjury that the information in this application is true, correct, and complete to the best of my knowledge and belief and that any joint owner or trustee or contract-for-deed seller has given written approval for me to enter into the deferral and recovery agreement. The agreement, approval, and disclosure of any other liens are included as part of this application. Further, I authorize any person having any records of the reported information to disclose the same to the Illinois Department of Revenue, upon request.

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
 Signature of applicant      Month   Day   Year      Signature of preparer, if applicable      \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
 \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
 Month   Day   Year      \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
 Month   Day   Year

## Worksheet A Calculate your household income for 2025

(Include both applicant's and spouse's income.)

1 Social Security, SSI benefits. Include Medicare deductions in this total ( <b>household total</b> ).	1	_____	_____
2 Railroad Retirement benefits. Include Medicare deductions in this total ( <b>household total</b> ).	2	_____	_____
3 Civil Service benefits ( <b>household total</b> )	3	_____	_____
4 Annuity benefits and federally taxable pension and IRA benefits ( <b>household total</b> )	4	_____	_____
5 Veterans' benefits ( <b>household total</b> ) ( <b>federally taxable portion only</b> )	5	_____	_____
6 Human Services and other governmental cash public assistance benefits ( <b>household total</b> )	6	_____	_____
7 Wages, salaries, and tips from work ( <b>household total</b> ) $\frac{\text{applicant}}{\text{applicant's spouse}}$ + $\frac{\text{applicant's spouse}}{\text{applicant's spouse}}$ =	7	_____	_____
8 Interest and dividends received ( <b>household total</b> )	8	_____	_____
9 Net rental, farm, and business income or (loss). Do not include any loss carryover. Attach U.S. 1040 for loss.	9	_____	_____
10 Net capital gain or (loss). Do not include any loss carryover. Attach U.S. 1040 or U.S. 1040A for loss.	10	_____	_____
11 Other income or (loss). Do not include any loss carryover. Attach U.S. 1040 or U.S. 1040A for loss.	11	_____	_____
12 Add Lines 1 through 11.	12	_____	_____
13 Certain subtractions — You may subtract only the reported adjustments to income totaled on U.S. 1040. (Specify: _____)	13	_____	_____
14 Subtract Line 13 from Line 12, and write the result. This is your total income for 2025. If Line 14 is greater than \$75,000, <b>STOP</b> . You do not qualify for this program. If Line 14 is \$75,000 or less, write the result in Step 4, Line 1 on the front of this application.	14	_____	_____

## Worksheet B Calculate your 80% equity interest

### Step 1: Write the market value

1 Write the market value of the homestead property.  
(See instructions.) \$ \_\_\_\_\_

### Step 2: Total the subtractions

2 Write the subtractions for the following:

a balance owed on the current mortgage.	\$ _____
b balance owed on any second mortgages.	\$ _____
c balance owed on any home equity loans.	\$ _____
d total home equity amount reserved for use under a reverse mortgage arrangement. (See Note 1.)	\$ _____
e balance of liens or encumbrances against the property, <b>including previous deferral amounts</b> .	\$ _____
f balance of any other loan or line of credit where the deferred property is being used as collateral on the loan.	\$ _____

3 Total subtractions (Add Lines 2a through 2f.) \$ \_\_\_\_\_

### Step 3: Calculate the equity that can be deferred

4 Determine the current equity interest in the homestead property. (Subtract Line 3 from Line 1.) \$ \_\_\_\_\_

5 Multiply Line 4 by 80 percent (0.80), and write the result here and in Step 4, Line 2 on the front of this application. (See Note 2.) \$ \_\_\_\_\_

**Note 1:** If you have a reverse mortgage arrangement, you should verify with your lender whether your agreement allows you to participate in the Tax Deferral Program.

**Note 2:** The collector must verify that the total deferral for the applicant (including all previous deferrals) has not exceeded the 80% equity interest using PTAX-1035, Annual Participant List.

# IL-1017 General Information

## What is the Senior Citizens Real Estate Tax Deferral?

The Senior Citizens Real Estate Tax Deferral Act, 320 ILCS 30/1, *et seq.*, allows qualified senior citizens to elect to defer all or part of the property taxes and special assessments on their principal residences. The principal residence is the homestead portion of the property and is the only portion of the property for which you can apply for deferral of taxes. The property taxes and special assessments do not become due until after the death of the property owner or when the real estate is sold or no longer qualifies. A lien is placed on the property and interest is assessed at three percent simple interest rate per year.

This application applies to taxes that will be paid in 2026.

## Who is eligible?

To qualify for the tax deferral you must

- be 65 years of age or older by June 1, 2026,
- have a total household income of no more than \$75,000 in the 2025 tax year,
- have lived in the property or other qualifying property for at least the last three years,
- own the property, or share joint ownership with your spouse, or you and your spouse be the sole beneficiaries of an Illinois land trust,
- have adequate insurance against fire or casualty loss, and
- have no unpaid property taxes and special assessments on the property.

## What is included in household income?

You must include items that are considered income for 2025 federal income tax purposes. Examples are:

- alimony received
- annuity benefits
- Black Lung benefits
- business income
- capital gains
- cash assistance from 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
- dividends
- farm income
- interest
- interest received on life insurance policies
- lump sum Social Security payments
- miscellaneous income, such as from rummage sales, recycling aluminum, or baby sitting
- monthly insurance benefits
- pension and IRA benefits (federally taxable portion only)

- qualified long term care insurance contract payments (federally taxable portion only)
- Railroad Retirement benefits (including Medicare deductions)
- rental income
- SeniorCare rebate (only if you took an itemized deduction for health insurance in the prior year)
- Social Security income (including Medicare deductions)
- Supplemental Security Income (SSI) benefits
- unemployment compensation
- veterans' benefits (federally taxable portion only)
- wages, salaries, and tips from work
- Workers' Compensation Act income
- Workers' Occupational Diseases Act income

## 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 2025.

## What is a homestead?

Homestead means the land, and buildings on that land, owned and occupied as your principal residence. This includes a condominium or a dwelling unit in a multi-dwelling building that is owned and operated as a cooperative. In addition, a homestead may be temporarily unoccupied because you were temporarily residing (for not more than one year) in a licensed facility as defined in Section 1-113 of the Nursing Home Care Act, 210 ILCS 45/1-101, *et seq.*

## What is qualifying property?

Qualifying property is a homestead that

- you, or you and your spouse, own in fee simple, or are purchasing in fee simple under a recorded instrument of sale, or are the sole beneficiaries of a Illinois land trust,
- is not income-producing property, and
- is not subject to a lien for unpaid property taxes and special assessments.

## When must I file?

This application must be filed on or before

**March 1, 2026**, with the county collector.

## Is there additional information I should know?

The Illinois Department of Revenue will send participants enrolled in the program an annual letter with the current total amount of all property taxes, special assessments (if any), and any resulting interest and fees that have been deferred and paid by the State of Illinois under this program.

# IL-1017 Specific Instructions

## Step 1: Eligibility information

- You must be able to answer “Yes” to all three questions to apply for the tax deferral.

## Step 2: Applicant information

- Tell us if this is the first year you have applied for the program.
- Check the applicable box identifying property ownership. If the property is in an Illinois land trust, the trustee must sign the application and the applicant must be the sole beneficiary of the trust.
- Write your homestead property index number (PIN). Your PIN is listed on your property tax bill or you may obtain it from the chief county assessment officer (CCAO). If you are unable to obtain your PIN, write the legal description of the homestead property on a separate sheet and **attach** it to your application.
- Write your
  - Social Security number,
  - date of birth,
  - daytime phone number,
  - name,
  - mailing address, and
  - county where the homestead property is located.

## Step 3: Spouse's information

- If applicable, write your spouse's
  - Social Security number,
  - date of birth, and
  - name.

## Step 4: Complete the following information

**Line 1 —** Use Worksheet A to calculate your household income for 2025.

**Line 2 —** Use Worksheet B to calculate your current equity interest in the homestead property.

**Line 3 —** Write the percentage (1% to 100%) or amount of taxes that you wish to defer. The maximum amount that can be deferred each year is \$7,500.

## Step 5 : Signatures

- If your homestead is jointly owned, the joint owner must sign and date the application. You may be required to provide proof of ownership, such as a copy of the deed.

- If the homestead is in a land trust, the signature of the trustee must be provided. You may be required to provide proof that you are the sole beneficiary, or that you and your spouse are the sole beneficiaries of the land trust.
- If you are purchasing property as “Contract for Deed,” the signature of the seller must be provided. You may be required to provide proof that the contract is a publicly recorded instrument.
- You must provide evidence to the county collector that your homestead property is insured against fire or casualty loss for at least the total amount of property taxes and special assessments that have been deferred.

The collector must sign and date this application.

You must sign and date the application. In addition, you must complete Form IL-1018, Real Estate/Special Assessment Tax Deferral and Recovery Agreement, at the time you file this application. This is an agreement that must be entered into with the county collector.

If this application was prepared by a tax preparer, the preparer must sign and date the application.

## Worksheet B Instructions

### Step 1: Write the market value

**Line 1 —** Write the market value of the homestead property. This calculation is based on the current assessed value of the property times the fraction necessary to convert that figure to the full market value. If your residence does not have a separate assessed value (*i.e.*, a newly constructed home that has not received an assessment yet), write the market value of the land and buildings as of December 31, 2025, as stated on an appraisal completed by a qualified real estate appraiser. You must attach an appraisal to your application if the amount entered in Step 1 is different than the currently recorded assessed value.

### Step 2: Total the subtractions

If there are any subtractions in Step 2, write the name and address of the creditor on a separate sheet and **attach** it to your application.

**Note:** The total amount of property taxes deferred, including special assessments deferred, plus interest, cannot exceed 80 percent of your equity in your homestead property.