

Public Act 141 of 2022
Important Changes to Principal Residence Exemption Statute
Frequently Asked Questions

- 1. Does the July or December Board of Review have the authority to grant late filing of a principal residence exemption for an owner for the current and previous three years?**

No. Under PA 141, effective July 11, 2022, the July or December Board of Review no longer have authority to grant the principal residence exemption. The local assessor now has the responsibility to review and grant such requests.

- 2. Can the owner submit a petition for a principal residence exemption for the current and three previous years at the July or December Board of Review?**

No. Under PA 141, effective July 11, 2022, the July or December Board of Review no longer have authority to grant the principal residence exemption. The owner must first file Form 2368 *Principal Residence Exemption Affidavit* with the local assessor and claim the principal residence exemption for the current and previous three years. Once received, the local assessor can grant the principal residence exemption after they verify the owner has met the requirements for the principal residence exemption. This can be done at any time during the year.

- 3. I have a 2021 and 2022 principal residence exemption affidavit that did not get put on the assessment roll. Is this something that the Board of Review still has authority to correct?**

No. Under the PA 141, effective July 11, 2022, the July or December Board of Review no longer have authority to grant the exemption.

- 4. What is the process for handling late principal residence exemption affidavits now that they cannot be taken to the July or December Board of Review?**

The owner must first file Form 2368 *Principal Residence Exemption Affidavit* with the local assessor and claim the principal residence exemption for the current and previous three years. Once received, the local assessor can grant the exemption after they verify the owner has met the requirements for the principal residence exemption. This can be done at any time during the year.

- 5. If the owner filed Form 2368 *Principal Residence Exemption Affidavit* for the current and previous three years, is there a specific date the assessor must process and grant the request?**

No. Once Form 2368 *Principal Residence Exemption Affidavit* is received by the local assessor, the assessor can grant the principal residence exemption after verifying that the owner has met the requirements for the principal residence exemption. The assessor must either approve or deny the claim for the principal residence exemption when received and should notify the claimant of the decision. This can be done at any time during the year.

- 6. If the assessor grants a principal residence exemption for the current and previous three years, how are these transactions to be processed in BS&A?**

For the current year, enter the effective date as filed. For previous years, process the exemption as an assessor's adjustment on the PRE detail tab until instructed otherwise.

- 7. Is there a form the assessor should use to inform the County Treasurer, Equalization Department and Treasurers of all other affected taxing authorities of the granting of a principal residence exemption for the current and previous three years and the adjustments to the tax roll?**

Yes. The local assessor should complete Form 5838 *Principal Residence Exemption Notice of Adjustments* and distribute copies of the completed Form to the County Treasurer, the County Equalization Department, and the treasurers of all other affected taxing authorities.

- 8. Should the County Treasurer, Equalization Department and Treasurers of all other affected taxing authorities request copies of the Form 2368 *Principal Residence Exemption Affidavit* from the assessors to process principal residence exemption adjustments throughout the year?**

While not required, it is a good practice to have the assessor attach a copy of Form 2368 *Principal Residence Exemption Affidavit* with Form 5838 *Principal Residence Exemption Notice of Adjustments*.

- 9. The County Treasurer, Equalization Department and Treasurers of all other affected taxing authorities have received a notice of a principal residence exemption adjustment granting a principal residence exemption for the current**

year and/or previous three years, when should a rebate be issued to the taxpayer?

If granting the exemption results in an overpayment of the tax, a rebate, including any interest paid, shall be made to the taxpayer by the local tax collecting unit if the local tax collecting unit has possession of the tax roll or by the county treasurer if the county has possession of the tax roll within 30 days of the date the exemption is granted. The rebate shall be without interest.

10. Is the assessor required to inform the Department of Treasury of its decision to grant a principal residence exemption for the current and previous three years?

No.

11. Are the changes in PA 141 effective immediately?

Yes. The legislature granted immediate effect when passing PA 141, therefore it became effective when signed on July 11, 2022.