

Form PTAX-765 Instructions

What is the IRC 501(c)(8) Fraternal Organization Assessment Freeze?

The Internal Revenue Code (IRC) Section 501(c)(8) fraternal organization assessment freeze, enacted under 35 ILCS 200/10-355, allows qualified fraternal organizations, or its subordinate organization or entity, who had its national headquarters in Illinois on December 31, 1926, or was chartered in Illinois in February 1898, to elect to freeze the assessed value (AV) of the real property it owns and uses. The AV is frozen by the chief county assessment officer (CCAO) at 15 percent of tax year 2001 AV for property that qualifies in tax year 2002, or 15 percent of the AV for property for the tax year the property first qualifies after tax year 2002.

Any improvements or additions made to the property that increase the AV of the property also are frozen at 15 percent of the AV of the improvement or addition in the year first assessed.

Who qualifies for the assessment freeze?

To qualify, a fraternal organization, or its subordinate organization or entity, who had its national headquarters in Illinois on December 31, 1926, or was chartered in Illinois in February 1898, must own and use real property, be an exempt entity under IRC Section 501(c)(8), and consist of members who provide, directly or indirectly, financial support for charitable works, such as medical care, drug rehabilitation, or education.

How do I apply for the assessment freeze for the first time?

The fraternal organization's chief presiding officer should complete and sign Form PTAX-765, to apply for this assessment freeze. You must have the form notarized and attach supporting documentation. See "What do I need to attach to Form PTAX-765?"

How do I renew the assessment freeze?

If you are renewing this assessment freeze and **have no changes** to report for this assessment year, the chief presiding officer only needs to complete Step 1, sign this form, and have it notarized before filing it with the CCAO.

If you are renewing this assessment freeze and **have changes** to report for this assessment year, the chief presiding officer must complete Step 1, any lines in Step 2 that have changed, sign this form, and have it notarized before filing with it with the CCAO. In addition, you must attach documentation explaining any changes. Some examples of changes you should report include

- additions or improvements,
- change in name of fraternal organization,
- conveyance of property,
- destruction or removal of improvements, and
- leasing of property.

What do I need to attach to Form PTAX-765?

Your fraternal organization **must attach copies** of the following to Form PTAX-765.

Any fraternal organization that had its national headquarters in Illinois on December 31, 1926 —

- Historical records or other evidence establishing that your fraternal organization had its national headquarters in Illinois on December 31, 1926; or
- A certification that your fraternal organization had its national headquarters in Illinois on December 31, 1926; or
- A certification that your fraternal organization is subordinate to a fraternal organization that had its national headquarters in Illinois on December 31, 1926.

Any fraternal organization chartered in Illinois in February 1898 —

- your fraternal organization's Illinois charter issued in February 1898; or
- a certification that your fraternal organization was chartered in Illinois in February 1898; or
- a certification that your fraternal organization was chartered by, or is subordinate to, a qualified fraternal organization that was chartered in Illinois in February 1898.

For all fraternal organizations —

- a Proof of exempt status under IRC Section 501(c)(8), such as
 - an IRS group exemption letter to an organization, plus a copy of an annual IRS filing by that organization, that lists your organization covered by the exemption letter; or
 - your U.S. Form 990; or
 - your IRS determination letter in response to your filing of U.S. Form 1024.
- b Proof of ownership or other legal or equitable interest in the property, such as
 - a deed; or
 - a contract for deed; or
 - a trust document; or
 - a title insurance policy; or
 - an organizational agreement; or
 - an incorporation document; or
 - a court order; or
 - an affidavit of adverse possession.
- c Copies of leases or contracts concerning the property, if applicable.

When should I file Form PTAX-765?

For all counties but Cook County: You must file Form PTAX-765, with your CCAO by December 31 of the assessment year for which you are applying.

For Cook County: You must file Form PTAX-765, with the Cook County Assessor by January 31 of the assessment year for which you are applying.

What if I need additional assistance?

If you need additional assistance, please contact your CCAO, whose address and phone number are shown below.

Where do I mail my completed Form PTAX-765?

Mail your completed Form PTAX-765 to:

County CCAO

Mailing address

City

IL

ZIP

If you have any questions, please call:
(_____) _____