The Oswald case was filed in 2012, shortly after the enactment of Public Act 97-688, which added Section 15-86 to the Property Tax Code establishing the new ownership test for charitable property tax exemption for hospitals. The case does not involve a hospital, it does not involve an application for tax exemption, and it does not involve any decision by the Department of Revenue. It is simply a legal challenge to the language of the statute itself. IHA intervened in the case as a defendant so that it could fully participate in the defense of the statute.

Oswald claims that Section 15-86 is facially unconstitutional – meaning that no exemptions can be issued under that statute under any circumstances. Because the statute says that a hospital satisfying the statutory requirements “shall be issued a charitable exemption” Oswald claims this requires the Department of Revenue to issue exemptions regardless whether the constitutional requirement that property be used exclusively for charitable purposes is satisfied.

Both the trial court and the appellate court rejected Oswald’s arguments and ruled that section 15-86 is constitutional. The Illinois Supreme Court ruled on September 20, 2018, that the statute is constitutional.

IHA is represented in the Oswald case by Neal Gerber Eisenberg.

- Oswald Circuit Court Decision (6/23/15)
- Oswald Appellate Court Decision (12/22/16)
- Oswald Plaintiff Opening Supreme Court Brief (11/1/17)
- Oswald Urbana and Township Amicus Brief (11/1/17)
- Oswald Champaign County Amicus Brief (11/1/17)
- Oswald School Officials Amicus Brief (11/1/17)
- Oswald IHA Supreme Court Brief (2/14/18)
- Oswald DOR Supreme Court Brief (2/14/18)
- Oswald Plaintiff Supreme Court Reply Brief (4/4/18)
- Oswald Supreme Court Decision (9/20/18)
- IHA Summary: Oswald Supreme Court Decision (9/20/18)

The Carle Foundation v. Illinois Department of Revenue

On March 23, 2017, the Illinois Supreme Court vacated the Fourth District Appellate Court's decision in the Carle Foundation case, which had declared Section 15-86 unconstitutional. The Supreme Court concluded that the appellate court did not have proper jurisdiction to take the appeal. The Supreme Court's ruling nullifies the appellate court ruling, as if it never occurred. Because the Supreme Court vacated the appellate court decision, it did not address the question of the constitutionality of Section 15-86.

IHA is represented in the Carle case by Nixon Peabody.

- Carle Circuit Court Decision (8/28/14)
- Carle Appellate Court Decision (1/5/16)