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ILLINOIS BANKRUPTCY EXEMPTIONS

Updated By [Kathleen Michon](#)

Like all states, Illinois has its own set of exemptions that you may use when filing for Chapter 7 or Chapter 13 bankruptcy. Exemptions determine what property (such as a home, car, instrument, retirement account, etc.) you may keep in a Chapter 7 bankruptcy, and how much you must pay to certain creditors in Chapter 13 bankruptcy. Some states allow debtors to choose between the state exemption system and a set of federal bankruptcy exemptions –but Illinois is not one of them. In Illinois, you must use the state exemptions below. In addition to this list, you may also use any applicable amounts in the [federal nonbankruptcy exemptions](#).

Unless noted otherwise, if a couple is married and filing jointly in Illinois, each spouse may claim the full amount of each exemption. This is informally called “doubling.”

To learn more about bankruptcy exemptions, including how they work, which state exemption system you should use, and special rules for the homestead exemption, see [Bankruptcy Exemptions – What Can I Keep When I File for Bankruptcy?](#)

Illinois Bankruptcy Exemptions

Unless otherwise noted, all law references are to the Illinois Compiled Statutes Annotated.

Homestead

735-5/12-901 - Real or personal property, including farms, lots, buildings, condos, co-ops or mobile homes up to \$15,000. Spouse or child of deceased owner can claim homestead (735-5/12-902). Sale proceeds up to 1 year (735-5/12-906). With some limitations, Illinois recognizes tenancy by the entirety (750-65/22).

Personal Property

110-979/45(g) - Prepaid tuition trust funds.

235-5/6-1 - Pre-need cemetery sales funds, care funds, and trust funds.

735-5/12-1001 - Motor vehicle up to \$2,400; clothing needed; health aids; school books; family pictures; bible; personal injury recoveries up to \$15,000; wrongful death recoveries; proceeds from sale of exempt property; Illinois College Savings Pool accounts that were invested more than 1 year before filing if below federal gift tax limit, or 2 years before filing if above the federal gift tax limit.

Wages

735-5/12-803 - Either a minimum 85% of earned but unpaid wages or 45 times the higher of the state and federal minimum hourly wage, whichever is greater. Judge may approve more for low income debtor. Some judges may not allow the wage exemption.

Pensions

11 U.S.C. § 522 - Tax exempt retirement accounts (including 401(k)s, 403(b)s, profit-sharing and money purchase plans, SEP and SIMPLE IRAs, and defined benefit plans).

11 U.S.C. § 522(b)(3)(C)(n)- IRAS and Roth IRAs to \$1,171,150.

40-5/2-154 - General assembly members.

40-5/3-144.1 & 40-5/5-218 - Police officers.

40-5/4-135 & 40-5/6-213 - Firefighters.

40-5/7-217 & 40-5/8-244 - Municipal employees.

40-5/9-228 - County employees.

40-5/11-223 - Civil service employees.

40-5/12-190 - Park employees.

40-5/13-805 - Sanitation district employees.
40-5/14-147 - State employees.
50-5/15-185 - State university employees.
50-5/16-190 & 40-5/17-151 Teachers.
40-5/18-161 - Judges.
40-5/19-117 - House of correction employees.
40-5/19-218 - Public library employees.
40-5/22-230 - Disabled firefighters, and widows and children of firefighters.
735-5/12-1006 - ERISA-qualified benefits and IRAs. As well as public employees.

Public Benefits

305-5/11-3 - Aid to blind, aged, and disabled; public assistance.
735-5/12-1001 - Veterans' benefits; Social Security; unemployment compensation; crime victims' compensation; restitution payments for World War II relocation of Japanese Americans and Aleuts.
820-305-21 - Workers' compensation.
820-310/21 - Workers' occupational disease compensation.

Tools of Trade

735-5/12-1001 - Tools, books, and implements of trade up to \$1,500.

Alimony and Child Support

735-5/12-1001 - Alimony and child support needed for support.

Insurance

215-5/238 - Life insurance, annuity, or cash value if beneficiary is spouse, child, parent, or other dependent of the beneficiary.
215-5/299.1a - Fraternal benefit society benefits.
735-5/12-907 - Homeowners' insurance proceeds for destroyed home, up to \$15,000.
735-5/12-1001 - Health and disability benefits; life insurance proceeds needed for support if beneficiary is spouse or child.

Misc

805-205/25 - Business partnership property.

Wildcard

Any other personal property up to \$4,000 (not including wages).
Other - Add any applicable [Federal Nonbankruptcy Exemptions](#).

Confirming Exemptions

This list includes the majority of bankruptcy exemptions available in Illinois. However, it may not include all exemptions, and states often create exceptions to specific exemptions. In addition, Illinois may have changed the amounts since this list was last updated in June of 2011. Consider cross-checking this list with www.legalconsumer.com, which updates the state exemption amounts regularly, or check with your local bankruptcy