

The Reassessment is Coming!

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Every Year properties in one of the three geographical areas are reassessed by the Cook County Assessor. This year the North and Northwest Suburbs are scheduled for reassessment. Some of the cities and towns that will be included in this year's revaluation are the Northwest Suburbs including; Arlington Heights, Palatine, Schaumburg and Wheeling. See our article on the next page (*This is One Notice to Pay Attention To!*) outlining the reassessment process and what you can do to protect yourself from excessive assessment increases and formidable tax burdens.

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Cook County Edition

property

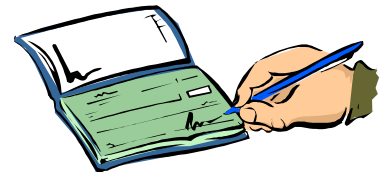
Taxfacts

News and Views

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While You Were Saving...

You have just written the check for your first installment tax bill and we know you have worked out the savings plan to meet the burden of the second installment bills which usually come due in August...but good news.... you have longer to save! The Cook County Board of Review is already warning local governments and taxpayers that the fall bills may be late. An unprecedented number of complaints, coupled with budget and staff cuts, have created a backlog of appeals that may not be ruled on until later this summer.



The Board must rule on all pending appeals before the property tax rates can be set and the bills issued. Bills are usually mailed in August. Commissioner Robert Shaw stated that normally the Board would be finished with appeals in May or June. However, due to the large volume of complaints they don't expect to be done until late July or August. This could push tax bills back until December.

School districts who rely heavily on property tax revenues would be the hardest hit by the delay. Depending on how late the tax bills are, some districts might be forced to take short-term loans to cover the shortfall.

This is One NOTICE to Pay Attention To!

The goal of reassessment is to update assessments to reflect each property's market value and ensure that everyone pays their fair share and equitable share of taxes. Once the new assessment is proposed, it will stay in place for the duration of the assessment cycle (which is three years in Cook County) unless it is appealed or a change is made to the property.

The Assessor usually begins mailing the 'Notice of Proposed Assessed Valuation' in late spring. Notices are mailed township by township and come in the form of a letter. These notices show your prior assessment, your current assessment and the deadline to file an appeal. Taxpayers have 45 days from receipt of the assessment notice to file a complaint with the Assessor's office.

Historically, the assessments of commercial and industrial properties have increased anywhere from 25% to 45%!

Because your assessment determines your taxes it is **very important** to review the reassessment notice carefully and evaluate the increase in assessed valuation. If the assessment increases by 10% one can reasonable expect a 10% increase in taxes. Historically, the assessments of commercial and industrial properties have **increased anywhere from 25% to 45%**. Residential properties could be very hard hit this year considering the inflated sales prices many areas have experienced over the last year or two. (See following article *Assessment Cap Legislation Shot Down by House*)

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If you don't act on this notice within the 45-day appeal period, you miss an opportunity to contest your value. This means you miss out on one year of tax savings and must now file with the Board of Review. It is always best to appeal an assessment in the first year of the cycle to obtain maximum tax savings since assessment reductions generally stay in effect for the duration of the triennial period.

There are many circumstances under which an appeal can be filed. Excessive market value, errors in the Assessor's records, equity and vacancy are just a few.

Don't wait to get your reassessment notice to begin the review and appeal process. Call Ennes & Associates, Inc today. The sooner we can begin working on your assessment the greater ability we have to get it reduced. Call Karen Dabek at our office for a preliminary review now!

Assessment Cap Legislation Shot Down By House

In February, Republicans and downstate legislators voted down proposed legislation that would have put a 7% cap on assessments increases for some residential properties in Cook County. Assessor Jim Houlihan proposed the legislation in an effort to cap skyrocketing residential assessments that have sent tax bills soaring and exasperated homeowners. The cap would have applied to owner-occupied property and rental property with fewer than six apartments.

However, suburban and downstate legislators questioned why Cook County only should benefit. Danville Representative Bill Black (R) noted that Cook County Homeowners receive a \$4,500 exemption while the exemption in other counties is only \$3,500.

Even if the proposal passed the House, it is doubtful that it would get past the Illinois Senate. Senate President Emil Jones, a Chicago Democrat, chided Assessor Houlihan for trying to put this burden on lawmakers "The Assessor is the Assessor...why should we be down here trying to do his job?"

Late last year, the Tax Foundation ranked the tax burden of all fifty states. This comparison included federal, state and local taxes as a percentage of income for each state. Illinois ranked 12th among all 50 states. Our tax burden comes in at 30.3%. The states with the highest tax burden include Connecticut (35.4%), Massachusetts (33.6%) New York (32.7%) and California (32.7%). The lowest tax burdens were recorded in Alaska (24.6%), New Mexico (25.6%) and Alabama (26.3%).