



Property Tax Bills due October First

In Cook County, first installment property tax bills are always due on the first business day in March. These bills reflect 50% of the total tax bill for the prior year. However, the second installment due dates vary.

This is due to the fact that the second installment bill relies on data that is obtained from other state and county agencies. This bill reflects the new assessed value, assessment appeal results, exemptions, the state equalization factor, and taxing district tax rates all of which come from outside the Treasurer's office.

This year the second installment bills will be due October 1. Tax bills will be mailed 30 days prior to the final due date. Be sure to pay your taxes only once! Last year over \$42 million dollars was refunded to tax payers who double paid their taxes.

September, 2003



And Now You Can Pay via the Internet!

The Cook County Treasurer's Office has teamed with Amalgamated Bank to accept Internet Payment for the Second Installment of Tax Year 2002 property taxes due October 1, 2003. You may pay on one Property Index Number (PIN), the 14-digit number that identifies your property.



When you pay via the Internet, your payment will be deducted from your account, along with a bank service fee of \$1.00. There is a \$25.00 charge for returned checks. Only exact payments for the full amount due will be accepted. The full amount due includes the total tax amount for the second installment and if applicable, any unpaid tax amount and penalty from the first installment tax year 2002 as of September 2, 2003. Your payment is subject to the [Online Payment Terms and Conditions](#). This method of payment is available to you until 11:59 p.m. on October 1, 2003.

THE TIF - DEMYSTIFIED

There are many popular misconceptions about Tax Increment Financing or “TIF” districts. Many people believe that TIF is a tax exemption; that only blighted areas can become a TIF district and that they divert money from local schools. None of these statements are true. This article provides an overview of what TIF really is and how it works.

More than twenty years ago state legislators gave local governments a means to help them bring back run-down areas or jumpstart economically sluggish parts of town. This was the TIF. Thru the use of TIF, local governments can make needed improvements like new sewers and roads, and provide incentives to attract new business without increasing taxes or dipping into general funds. When new businesses come to an area, more jobs are created, which means more customers and, in turn, private investment. This ultimately leads to more money for the community.

The tax increment is the difference between the amount of property tax revenue generated before TIF district designation and the amount of property tax revenue generated after TIF designation. When a TIF is established, it does not reduce the property tax revenue available to the taxing bodies. Property taxes collected on properties located in the TIF at the time of its designation continue to be distributed to the taxing bodies as if the TIF did not exist. Only property taxes generated by the increase in value of

these properties after TIF designation are available for TIF use.

Properties located in TIF districts are assessed and taxed the same way as properties not located in TIF districts. The difference is that during the life of the TIF the incremental increase in property tax revenue is given to the municipality to finance some of the costs associated with redevelopment.

Various short and long-term benefits are created by TIFs, such as: no tax increases, new jobs and job retention, increased property values, and stronger local economy

TIF laws in Illinois stipulate a number of requirements that must be met before an area can be designated a TIF district. The process begins with identification of the district and the economic and physical deficiencies that need to be alleviated. Then a Redevelopment Plan must be submitted. Residents and other interested parties can express their views at a public hearing. After that the TIF must go through the same process as any other ordinance approved by the local governing board.

Most importantly, a prospective TIF plan must pass the “but for” test. Whenever a municipality is considering a new TIF district, they must ask “Will the same kind of private investment occur here without an incentive?” The answer must be “No” in order to approve the TIF. In other words, “But for the incentive provided by the Tax Increment Financing, development would not occur in the designated area”. According to a study by Chapman and Cutler, a large bond counsel firm, Illinois has the most rigorous “but for” test of the 47 states that use TIF.

Officials of the municipality control allocation and disbursement of funds in the TIF district. Local governments, through annual reviews with the school districts and major taxing bodies, monitor the TIF process. Law requires this. A TIF district in Illinois is allowed to exist for a maximum of 23 years. Any district can be terminated earlier if all financial obligations are met and the municipal board votes to terminate the district. Additionally, if no redevelopment has been started in a TIF district within seven years of designation, the TIF must be repealed.

This is a very brief overview of what TIF districts are and how they can benefit a community. For more information please contact our office.

That's Politics....the recent victory

taxpayers received when Senate Bill 620, which would have eliminated PTAB in Cook County, was defeated has been snatched from their hands. The Bureau of the Budget has slashed PTAB's budget by 35% forcing the closing of the Des Plaines office. All appeals must now be heard in Springfield. This has increased that office's workload by 280%!! Now taxpayers could end up waiting years to have their cases heard.

If you are a commercial/industrial taxpayer in Cook County we urge you to write to Governor Blagojevich and ask him to restore funding for PTAB. Unless this is done appeal backlogs will escalate and the impact on school funding will only get worse. Call if you need more info.

Some Chicago Homeowners May Get Tax Break

The City of Chicago is undergoing reassessment this year. Skyrocketing home prices have driven up values and in turn, assessments. Residential taxpayers are afraid that these increases will have a big impact on their next tax bill. In response to their fears, Cook County Board Commissioners are proposing to expand an ordinance that limits assessment increases on properties with spiraling values. In 2001, the Board voted to protect longtime residents of quickly gentrifying neighborhoods from massive tax increases by freezing assessments. To qualify for the break, the assessment must have increased by more than 150 percent of the average increase. Only homeowners who applied for the break and with annual incomes less than \$86,710 were eligible. The Board is now proposing to eliminate the income ceiling and make eligibility automatic.

