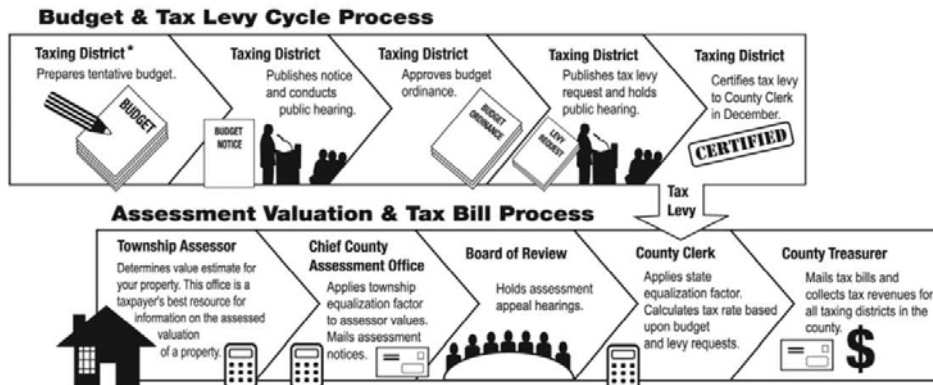
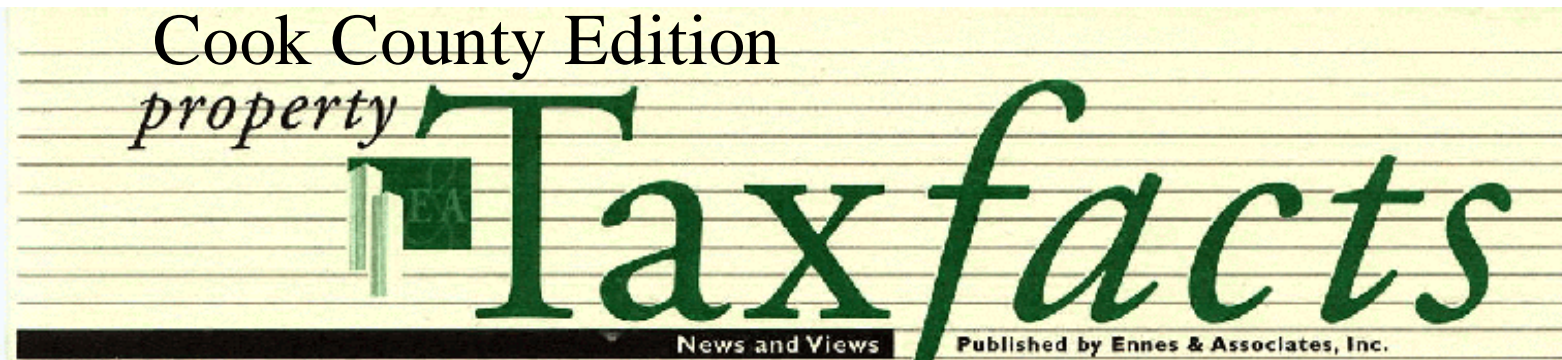


Lake County, Il recently published a special newsletter explaining the assessment notices that are being sent to Lake County property owners. It included this graphic depicting the assessment and tax cycle. We thought it was worth sharing.

Understanding the Property Tax Process



September, 2010



Your Guess is as Good as.....

September 1st came and went without the second installment tax property tax bills being mailed out. This is the 33rd consecutive year they are going out late. When will they go out? Your guess is as good as the Assessor, Board of Review, and Treasurer!

The delay comes because the Board of Review has completed reviewing only 23 of 38 of the township's assessment appeals. After that the State has to set the multiplier and the County Clerk has to set the tax rate and then it all goes to the Treasurer to get mailed out to you.

There has been lively debate between the candidates for Cook County Assessor as to the motivation for the delay. Some people are wondering aloud if the Board may be dragging its feet to delay tax bills from arriving before the November election. We prefer to side with County Treasurer Maria Pappas who was quoted as saying, "I ain't getting in that catfight."

We just hope the bills go out with a due date before year end...otherwise taxpayers won't be able to claim their second installment payments on their 2010 income taxes.

Effectively Shifting the Burden

Crain's Chicago Business recently reported (August 23, 2010) that a Civic Federation Study shows the real estate tax burden shifting back to business owners. The study shows the effective tax rates for commercial/industrial property in Chicago rose by 25% to 30% between 2006 and 2008.

This doesn't bode well for business growth in Cook County. It also brings back into question the Cook County property tax system that allows business property to be assessed at up to 2.5 times the residential level. Current assessment levels are 25% for commercial, 10% for residential.

Effective tax rates give you a way, across state and local lines, to examine how the property tax burden breaks down. In 2008, in Chicago, commercial property was taxed at 2.35% of market, industrial at 1.61% and residential at 1.31%.

Governor Quinn Signs Bills that Giveth and Taketh Away

In August, Governor Quinn signed legislation extending the "7 percent solution" property tax cap in Cook County by three years. This continues the 7 percent limit in annual growth of a home's value for property tax purposes. Cook County homeowners can qualify for up to a \$20,000 exemption for tax year 2009. The exemption would show up on your second installment tax bills this fall. The exemption ceiling falls in 2010 to \$16,000 and in 2011 to \$12,000. Without the extension the exemption would have dropped to \$6,000.

The bill also made amendments to the homestead exemptions for returning and disabled veterans. These changes are applicable beginning in taxable year 2010.

Senior citizens didn't fare as well under the legislation. Beginning in fall of 2011 the automatic rollover for the senior tax exemption will end. Seniors will be required to reapply each year for a tax exemption that they were getting automatically. They will also have to send copies of their driver's licenses and tax bills. This could result in senior homeowners losing the exemption because they failed to file the correct paperwork each year resulting in higher property taxes.

Citing the need to "ensure that regular people evaluate our property tax systems and make the process more transparent" the law also creates Taxpayer Action Boards (TABs) in Cook, DuPage, Kane, Kendall, Lake, McHenry and Will Counties. The Boards are charged with overseeing the law that requires county assessors to provide property owners with clear, easy explanations of how assessments are determined and to conduct a study of that process in each county.

Another bill signed into law extends the deadline for homeowners to pay the first installment of their 2010 property taxes by one month to April 1, 2011. (not to be confused with the 2nd installment 2009 due out sometime later this year). The bill also shortens the time taxpayers have to pay their delinquent property tax bills. Now the delinquent taxes must be processed within 90 days of a taxpayer missing the second installment date and auctioned off about a month after that. Previously taxpayers had eight to nine months before their bill was sold.

Collar Counties Releasing 2010 Assessments

Below are some of the townships that have released 2010 assessment notices:

DuPage—Addison, Bloomingdale, Milton

Kane—Batavia, Big Rock, Compton, Hampshire, St. Charles, Sugar Grove, Virgil

Lake—Antioch, Avon, Benton, Cuba, Fremont, Libertyville, Moraine, Newport, Shields, Zion

McHenry—Alden, Burton, Greenwood, Richmond, Seneca

Appeal deadlines are published on the Assessor's websites.