

Understanding Your Tax Bill: Park Ridge League of Women Voters

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Revenues Versus Expenditures



Revenue Side of the Equation

Primary Sources of Revenue

- Property Taxes
- General State Aid
- State Categorical Aid
- Federal Categorical Aid
- Poverty Grant Funding
- Corporate Personal Property Replacement Tax (CPPRT)
- Local Fees
- Interest Income

Property Taxes

Property Tax Terms

- Tax Levy
- Tax Extension
- Assessed Valuation (AV)
- State Equalizer (Multiplier)
- Equalized Assessed Valuation (EAV)
- Exemptions

Assessed Value (AV)

- What is the assessed value of a piece of property?

Assessment Reality

- Actual property assessments often vary, sometimes substantially.
- The variance in some counties is greater than others.
- However, the average of all properties should be roughly 33%.

How do Cook County property assessments differ from other counties in the state?

Other Counties – All property owners pay the same proportion of property taxes.

Cook - Business pay a higher proportion of property taxes than residential property owners.

County Legal Tax Assessment Levels

<u>Taxpayer</u>	<u>Cook</u>	<u>Other</u>
Homeowner	10%	33%
Businesses	25%	33%

Average 33% county-wide

Equalized Assessed Value (EAV)

What is the equalized assessed value?

- It is the revised value of the property for tax computation purposes after the multiplier/state equalization factor has been applied.

Purpose of the Multiplier

- To bring the total county assessment level closer to the 33% standard.

Sample County Multipliers

- For tax year 2016:
 - Cook: 2.8032
 - Lake: 1.0000

Sample Cook County EAV Calculation

- Home Value: \$400,000
- AV: \$40,000
- Multiplier: 2.8032
- EAV: \$112,128

Effect of Equalization

County	Market Value	Assessed Value	Multiplier	Equalized Assessed Value
Lake – Home	\$600,000	\$200,000	1.0	\$200,000
Lake – Business	\$600,000	\$200,000	1.0	\$200,000
Cook - Home	\$600,000	\$60,000	2.8032	\$168,192
Cook - Business	\$600,000	\$150,000	2.8032	\$420,480

How are property taxes
actually calculated?

Property Tax Formula

$$\frac{\text{Equalized Assessed Value}}{100} \times \text{Tax Rate} = \text{Taxes}$$

Sample Tax Calculation

Assumptions:

- EAV: \$112,128
- Tax Rate: 8.00

Formula:

$$\$112,128/100 = \$1,121.28$$

$$\$1,121.28 \times 8.00 = \$8,970.24$$

Property Tax Exemptions

What are property tax exemptions and how do they affect your property taxes?

Common Exemptions

- Homestead
- Senior Citizenship Homestead
- Senior Citizen Freeze
- Disabled Person's Homestead
- Home Improvement

<http://www.revenue.state.il.us/localgovernment/PropertyTax/taxrelief.htm>

Homestead Exemption

- Occupied as the principal dwelling place of the owner, or;
- A lessee with a legal or equitable interest in the property with a single-family residence, who is liable for the payment of the property taxes on the leased property.

Senior Citizens' Homestead Exemption

- A \$4,000 reduction in the EAV of the property available for residential property.
- Must be 65 years of age or older during the assessment year.

Senior Citizen Freeze

- Household income of less than \$55,000.
- Can maintain current EAV and prevent any increase in that value due to inflation.

Disabled Persons' Homestead Exemption

- An annual \$2,000 reduction in EAV of the primary residence.

Homestead Improvement Exemption

- An exemption for four years.
- Limited to the fair cash value that was added by a new improvement or result of a catastrophic event.
- Up to a maximum of \$75,000 improvement value.
- After 4 years, property assessment increased to full value.

PAYMENT DUE		2016 Second Installment Property Tax Bill				
\$6,732.58		Property Index Number (PIN)	Volume	Code	Tax Year (Payable In)	Township
By 08/01/17 (on time)		Classification 2-78				
IF PAYING LATE, PLEASE PAY	08/02/17-09/01/17 \$6,833.57	09/02/17-10/01/17 \$6,934.56	10/02/17-11/01/17 \$7,035.55	LATE INTEREST IS 1.5% PER MONTH, BY STATE LAW		
TAXING DISTRICT BREAKDOWN						
Taxing District	2016 Tax	2016 Rate	2016 %	Pension	2015 Tax	
MISCELLANEOUS TAXES						
North Shore Mosq Abate. Dist Northfield	20.38	0.010	0.13%		21.15	
Metro Water Reclamation Dist of Chicago	827.63	0.406	5.38%	93.77	750.75	
Glenview Park District	1,147.67	0.563	7.46%	156.96	1,205.43	
Miscellaneous Taxes Total	1,995.68	0.979	12.97%		1,977.33	
SCHOOL TAXES						
Oakton College Dist Skokie Des Plaines	470.89	0.231	3.06%		477.59	
Glenbrook HS District 225 (Glenview)	4,293.06	2.106	27.91%	120.27	4,393.49	
School District 02-34	5,342.65	2.719	36.03%	203.84	5,799.83	
School Taxes Total	10,306.60	5.056	67.00%		10,670.91	
MUNICIPALITY/TOWNSHIP TAXES						
Glenview Library Fund	699.20	0.343	4.55%		731.37	
Village of Glenview	1,004.98	0.493	6.53%	532.04	1,030.86	
Road & Bridge Northfield	99.89	0.049	0.65%		100.45	
General Assistance Northfield	12.23	0.006	0.08%		12.34	
Town of Northfield	48.9	0.024	0.32%		49.35	
Municipality/Township Taxes Total	1,865.22	0.915	12.13%		1,924.47	
COOK COUNTY TAXES						
Cook County Forest Preserve District	128.42	0.063	0.83%	4.07	121.60	
Consolidated Elections	0.00	0.000	0.00%		59.92	
County of Cook	644.8	0.316	4.20%	201.81	509.31	
Cook County Public Safety	269.00	0.130	1.72%		259.06	
Cook County Health Facilities	177.5	0.087	1.15%		204.43	
Cook County Taxes Total	1,214.95	0.596	7.90%		1,154.32	
(Do not pay these totals)						
	15,382.45	7.546	100.00%		15,727.03	
TAX CALCULATOR		IMPORTANT MESSAGES				
2015 Assessed Value	70,530	-Thank you for your first installment payment of: \$8,649.87 on 02-02-17				
2016 Property Value	770,010	2016 Total Tax Before Exemptions				
2016 Assessment Level	X 10%	Homeowner's Exemption	16,287.97			
2016 Assessed Value	77,001	Senior Citizen Exemption	528.22			
2016 State Equalizer	X 2.8032	Senior Freeze Exemption	377.30			
			.00			
2016 Equalized Assessed Value (EAV)	215,849	2016 Total Tax After Exemptions				
2016 Local TaxRate	X 7.546%	First Installment	15,382.45			
2016 Total Tax Before Exemptions	16,287.97	Second Installment +	8,649.87			
			6,732.58			
		Total 2016 Tax (Payable In 2017)				
		16,382.45				
		PROPERTY LOCATION		MAILING ADDRESS		

Aren't property assessment going down because property values are dropping?

- Yes, except that the property tax process compensates with a higher tax rate.

ONLY THIS AMOUNT
\$ 1,468.80
 BY 11/01/11 (on time)

2010 Second Installment Property Tax Bill

Property Index Number (PIN) Volume Code Tax Year (Payable In) Township
 2010 (2011) WHEELING

IF PAID LATE 11/02/11 - 12/01/11 IF PAID LATE 12/02/11 - 01/01/12 IF PAID LATE 01/02/12 - 02/01/12
\$ 1,490.83 **\$ 1,512.86** **\$ 1,534.89**

TAX CALCULATOR

2009 Assessed Value
 2010 Property Value = 218,540
 2010 Assessment Level X 10%
2010 Assessed Value = 21,854

2010 State Equalization Factor X 3.3000
 2010 Equalized Assessed Value (EAV) = 72,118
 2010 Local Tax Rate X 7.228%
 2010 Total Tax Before Exemptions = 5,212.69

Homeowner's Exemption - 433.68
 Senior Citizen Exemption - .00
 Senior Assessment Freeze Exemption - .00

2010 Total Tax After Exemptions = **4,779.01**
 First Installment = **3,310.21**

PROPERTY LOCATION AND CLASSIFICATION
 ARLINGTON HEIGHTS IL 60004 : Property Classification 2-03

Assessing District	2010 Tax	2010 Rate	2010 %	Pension	2009 Tax	2009 Rate
MISCELLANEOUS TAXES						
Northwest Mosquito Abatement	5.95	0.009	0.12%		7.48	0.008
Astro Water Reclamation District	181.16	0.274	3.79%	9.91	249.92	0.261
Arlington Heights Park District	297.53	0.450	6.23%	31.73	366.35	0.392
Miscellaneous Taxes Total	484.64	0.733	10.14%		617.75	0.661
SCHOOL TAXES						
Farper Community College Dist 512	195.05	0.295	4.08%		241.12	0.265
Community High School District 214	1,215.91	1.839	25.44%	52.89	1,528.94	1.636
School District 23 Prospect Hts	1,699.89	2.571	35.57%	5.28	2,105.56	2.253
School Taxes Total	3,110.85	4.705	65.09%		3,875.62	4.147
MUNICIPALITY/TOWNSHIP TAXES						
Arlington Heights Library Fund	256.54	0.388	5.37%	23.14	329.90	0.353
Village of Arlington Heights	572.58	0.866	11.98%	216.20	705.59	0.755
Road & Bridge Wheeling	9.26	0.014	0.19%		11.21	0.012
General Assistance Wheeling	3.31	0.005	0.07%		8.41	0.009
Own Wheeling	28.43	0.043	0.59%		36.45	0.039
Municipality/Township Taxes Total	870.12	1.316	18.20%		1,091.56	1.168
COOK COUNTY TAXES						
Cook County Forest Preserve District	33.72	0.051	0.71%	0.66	45.79	0.049
Consolidated Elections	0.00	0.000	0.00%		19.53	0.021
County of Cook	150.75	0.228	3.17%	54.87	183.18	0.196
Cook County Public Safety	74.71	0.113	1.56%		106.54	0.114
Cook County Health Facilities	54.22	0.082	1.13%		78.50	0.084
Cook County Taxes Total	313.40	0.474	6.57%		433.84	0.464
Do not pay these totals	4,779.01	7.228	100.00%		6,018.57	6.440

LATE PENALTY IS 1.5% PER MONTH, BY STATE LAW.

**Questions
and/or
Comments?**