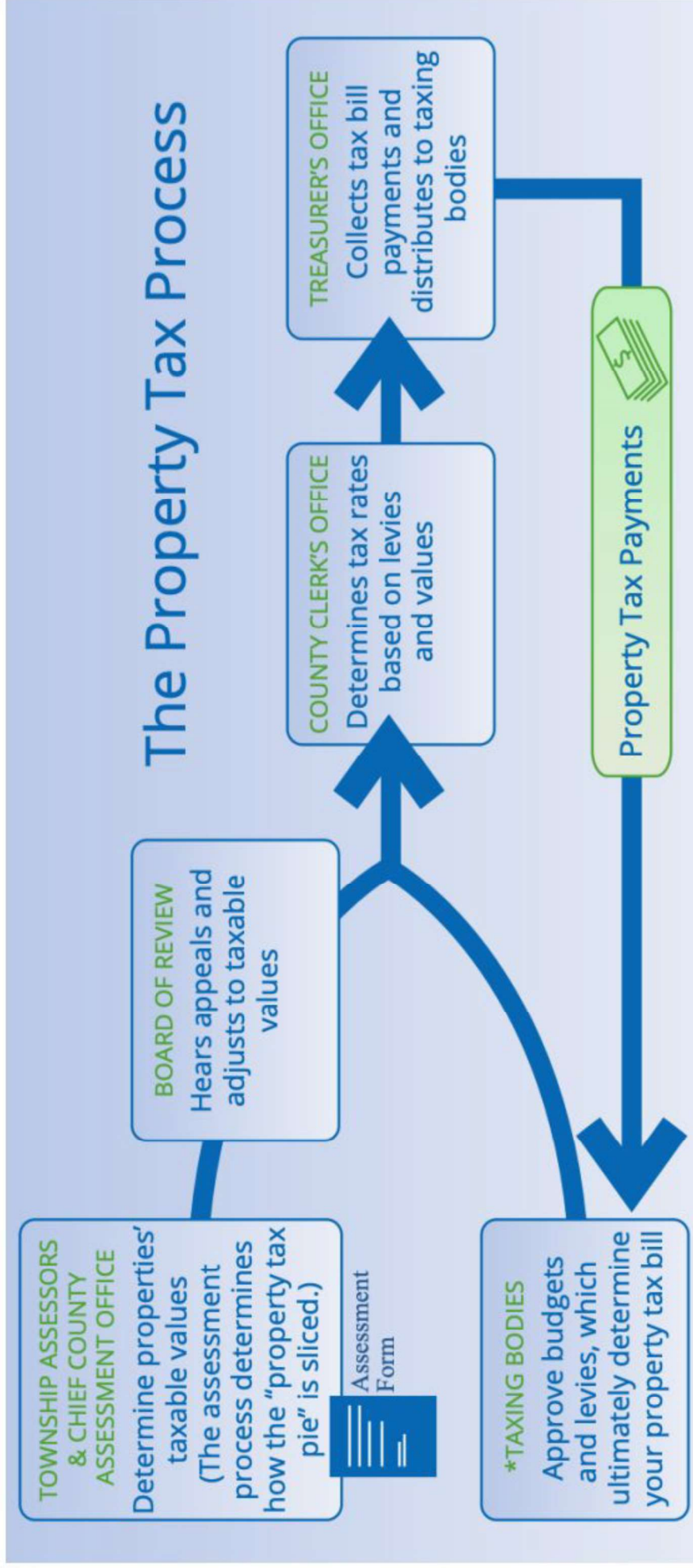


# Tentative Tax Levy

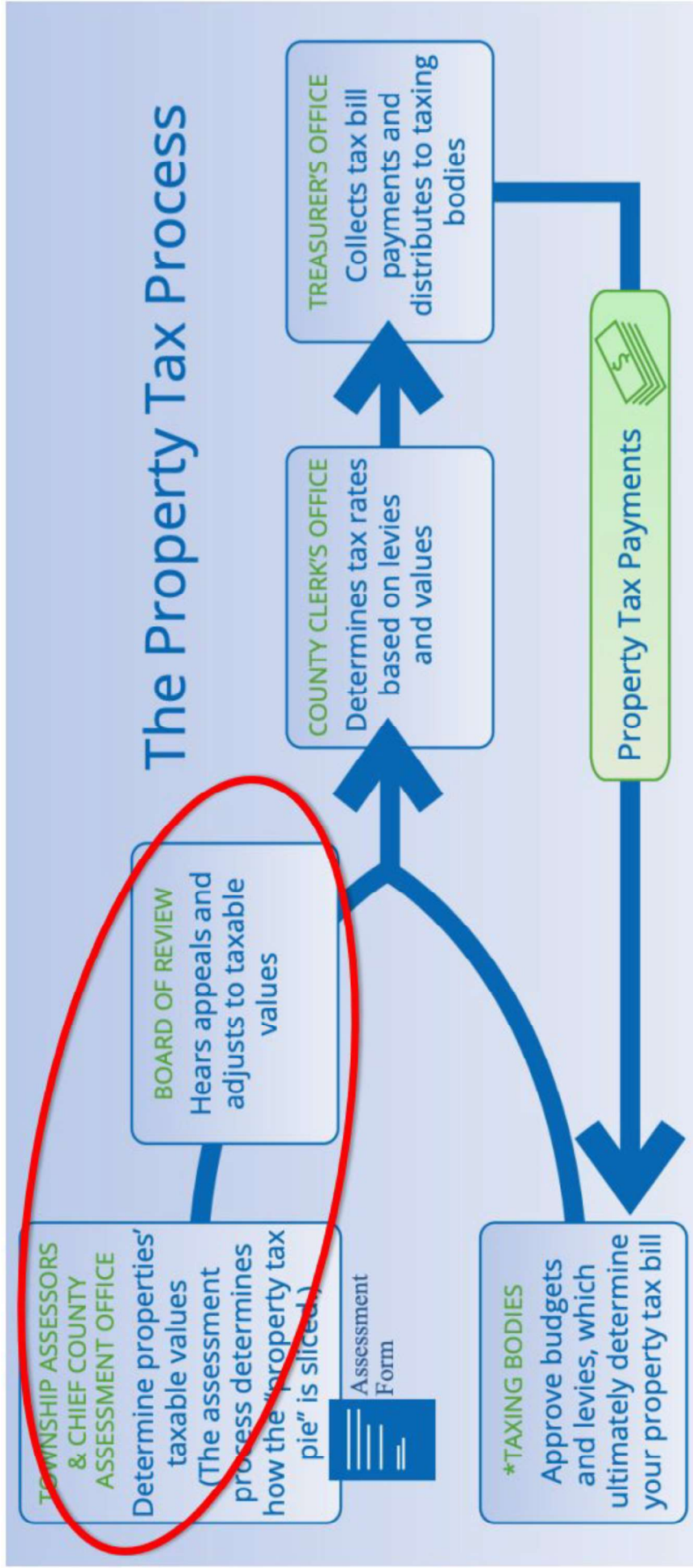
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- **October 21st Board meeting**
  - Levy update
- **November 18th Board meeting**
  - Tentative Levy Presentation
- **December 16th Board meeting**
  - Truth-in Taxation Hearing
  - Levy Presentation
  - Tax Levy Adoption

# The Property Tax Cycle



# The Property Tax Cycle



# The Property Tax Cycle

## Determining the Taxable Valuation of Property in Your

### District

• **Step 1: Assessment – All property is discovered, listed and appraised so that market values for property tax purposes can be determined**

- Market value figure generally determined by market data, cost, or income (non-residential)
- Most real property assessed at 33 1/3 percent of the market value figure
- By law, each property must be viewed, inspected and revalued (reassessed) once every four years

# The Property Tax Cycle

## Determining the Taxable Valuation of Property in Your

### District

- **Step 2: Review of Assessment Decisions – County boards of review act as an intermediary between assessors and the taxpayers to determine whether assessing officials calculated assessed values correctly**
  - *Board of Review (BOR)* reviews complaints filed by taxpayers
    - If taxpayer is dissatisfied with ruling from BOR, can appeal to the Property Tax Review Board or to the Circuit Court
  - Approves property tax exemptions (homestead exemptions)

# The Property Tax Cycle

## Converting Property Valuations to “Taxable” Valuations

- **Step 3: Apply State Equalization** - The Illinois Department of Revenue then equalizes assessments amongst counties and issues a state equalization factor for each county.
  - Properties are assessed at 33 ⅓% of market value
  - State reviews assessments and applies a “multiplier” for fairness (if needed)
  - The resulting value is the **Equalized Assessed Value (EAV)** used to calculate tax rates.

# The Property Tax Cycle

- **Step 4: Apply Major Property Tax Exemptions**

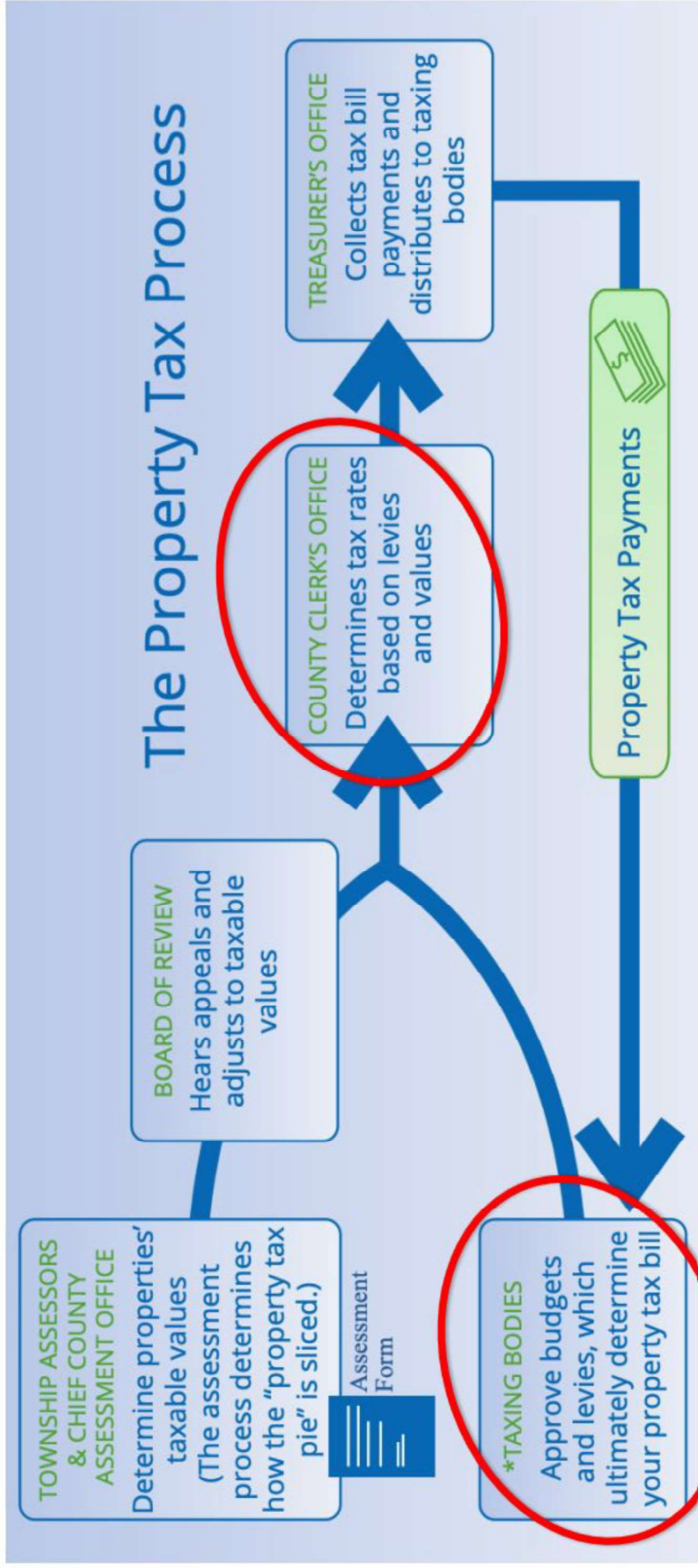
Exemption Type	Description	Cook County	Dupage County	All Other Counties
General Homestead Exemption	Residential property occupied by owner as principal dwelling place	\$10,000	\$8,000	\$6,000
Senior Citizen Homestead Exemption	Owned and occupied by a person 65 years or older	\$8,000	\$8,000	\$5,000
Homestead Exemption for Persons w/Disabilities	Owned and occupied by a person with a disability	\$2,000	\$2,000	\$2,000
Non-Homestead Exemptions for Religious, Charitable or Educational Organizations		Exempt	Exempt	Exempt

# How “Market Value” converts into “Equalized Assessed Value”

## Sample Homeowner of a \$200,000 market-value home

	Cook County	Dupage County
<b>Market Value (Estimated by County)</b>	\$200,000	\$200,000
Assessment Level	10%	33 1/3%
Assessed Value Before Exemptions	\$20,000	\$66,667
State Equalizer	3.0355	1.0000
Equalized Value	\$60,710	\$66,667
Homeowners Exemption	(\$10,000)	(\$8,000)
<b>Equalized Assessed Valuation</b>	\$50,710	\$58,667

# The Property Tax Cycle



# The Tax Levy and the Tax Extension

## Key Timelines for the Adoption of the 2025 Tax Levy

- IL School Code - Estimated levy be presented to the Board at least 20 days prior to its adoption.
- Levy needs to be adopted and filed with County Clerk by the last Tuesday in December (12/30).
- Truth in Taxation hearing must be posted in newspaper not more than 14 days nor less than 7 days before the date of the public hearing.

NOVEMBER 2025						
SUN	MON	TUE	WED	THU	FRI	SAT
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						
DECEMBER 2025						
SUN	MON	TUE	WED	THU	FRI	SAT
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

# The Tax Levy and the Tax Extension

**LEVY** is the local government taxing district's request to the county for property taxes.

**LEVY = ASK**

**VS**

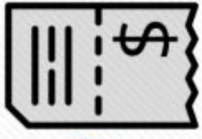
**Extension** is the total amount of property taxes billed on the behalf of local government taxing districts.

**EXTENSION = GIVE**

Levy



Extension

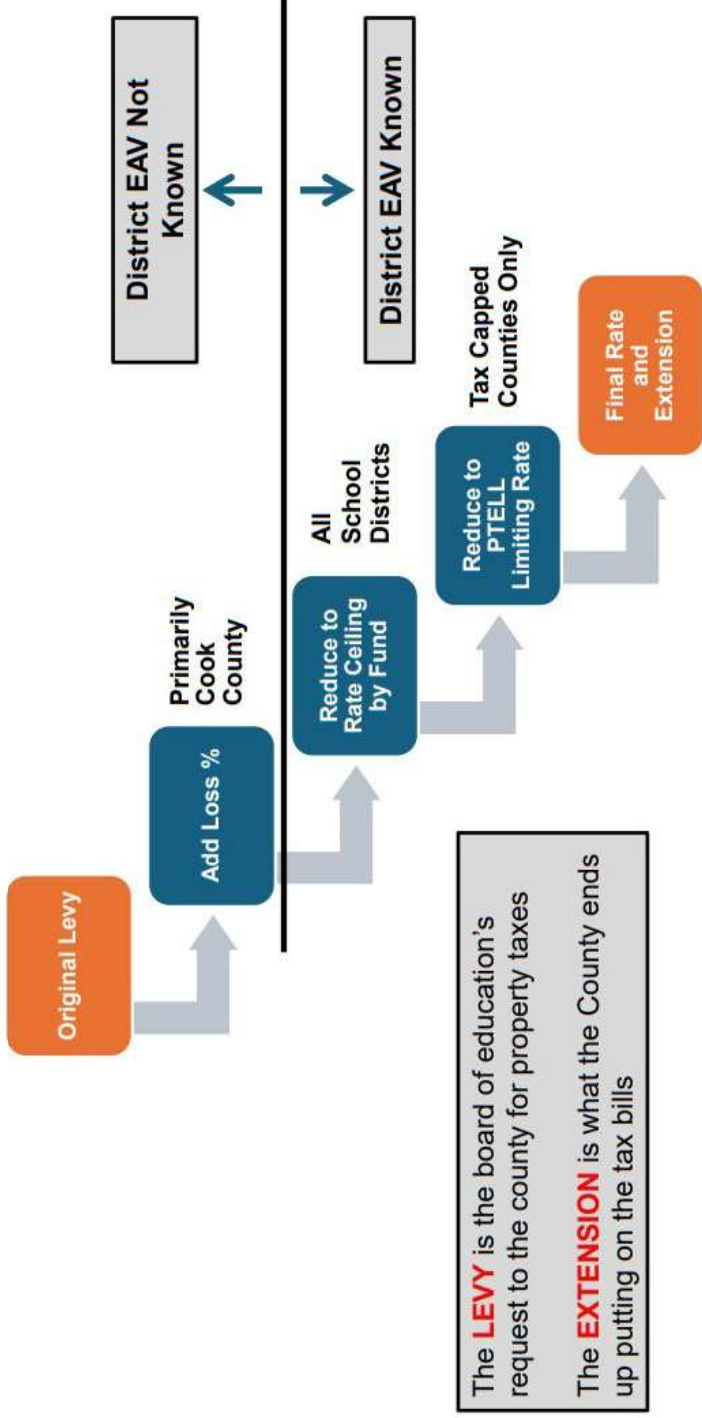


Collections/Distributions



# How the Tax Levy Becomes the Tax Extension

## Steps Taken by County Clerk



# How the Tax Levy Becomes the Tax Extension

## Limitations: Individual Fund Maximum Rates

### Funds with Statutory Maximum Rates \* (\$ per \$100 EAV)

	<u>ED</u>	<u>HD</u>	<u>Unit</u>
Operations & Maintenance	0.55	0.55	0.75
Special Education	0.40	0.40	0.80
Fire Prevention (Life Safety)	0.10	0.10	0.10
Working Cash	0.05	0.05	0.05
Lease (Facilities & Tech)	0.10	0.10	0.10

### Funds Without Maximum Rates

Education\*  
Transportation\*  
Health Insurance  
Liability Insurance  
Employees' Pension (IMRF, Social Security & Medicare)

*\*For non-capped entities, a maximum does apply*

# Property Tax Extension Limitation Law (PTELL)

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## Adopted in 1991 in all Collar Counties

- Limits annual increase in tax extension to the lessor of 5% or CPI (measured in December of previous year)
- This does not apply to “new construction”
  - Addison Township Assessor - \$400k in new construction

# Property Tax Extension Limitation Law (PTELL)

## Strategies to Capture Maximum Allowable Extension

- **Increase the levy a significant amount to capture unanticipated information.**
  - Levy a 8.20% increase over previous year
  - This does not mean that tax bills will go up by 8.20%.
  - Any amount levied over 2.9% is a contingency for new taxable property that comes on the tax rolls.

# Truth in Taxation Hearing

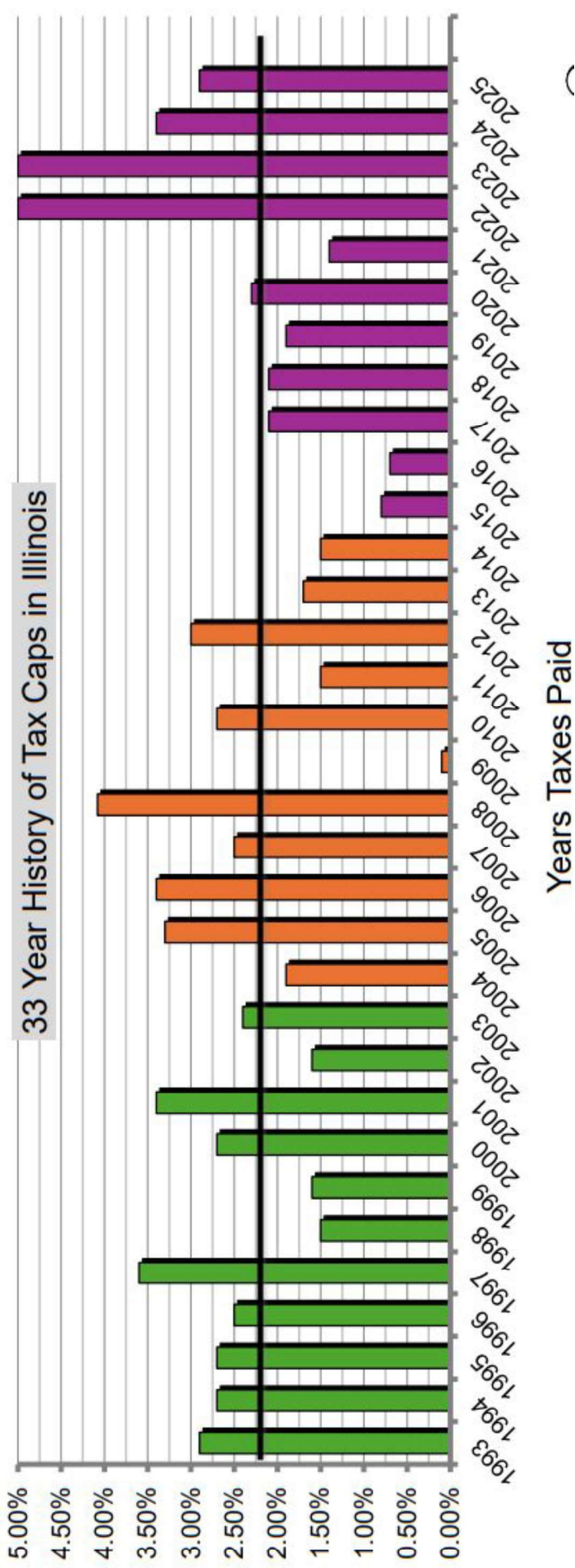
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**If levying over 5%...**

- Hearing notice published in the newspaper
- Truth in Taxation hearing is required prior to adopting 2025 levy during the December board meeting.

# History Levy Increase since start of PTELL

First 11-year period, CPI averaged 2.51% --- Second 11-year period, CPI average 2.33% ---  
 Third 11-year period CPI average 2.51%, even with 5% CPI for 2022 and 2023 levy year.



# 2025 Tentative Levy

	Prior Year Extension	Statutory Max Rate	Estimated Extension	Final Levy Amount
Educational	\$11,120,346.00		\$11,448,427.61	\$11,906,393.00
O&M	\$3,869,984.94	0.55	\$3,984,160.42	\$4,063,853.00
Transportation	\$797,055.49		\$820,570.88	\$836,985.00
Working Cash	\$154,491.95	0.05	\$159,049.90	\$159,050.00
Mun. Retirement	\$105,300.48		\$108,407.14	\$408,407.00
Social Sec.	\$210,600.97		\$216,814.29	\$216,815.00
Fire & Safety	\$0.00	0.10	\$0.00	\$0.00
Tort Immunity	\$0.00		\$0.00	\$0.00
Sped Ed	\$0.00	0.40	\$0.00	\$0.00
Leasing	\$0.00	0.10	\$0.00	\$0.00

# Levy Update

2024 Tax Year	2025 Tax Year
<b>Prior Year Levy</b>	<b>Current Year Levy</b>
\$16,478,280	\$17,591,504
<b>Prior Year Extension</b>	<b>Current Year “Estimated” Extension</b>
\$16,257,779	\$16,737,430
<b>Prior Year CPI</b>	<b>Current Year CPI</b>
3.4%	2.9%

- **Tax Rate - 2.0437%**
- Levying a 8.2% increase over last year’s extension
- Truth-in-Taxation hearing required

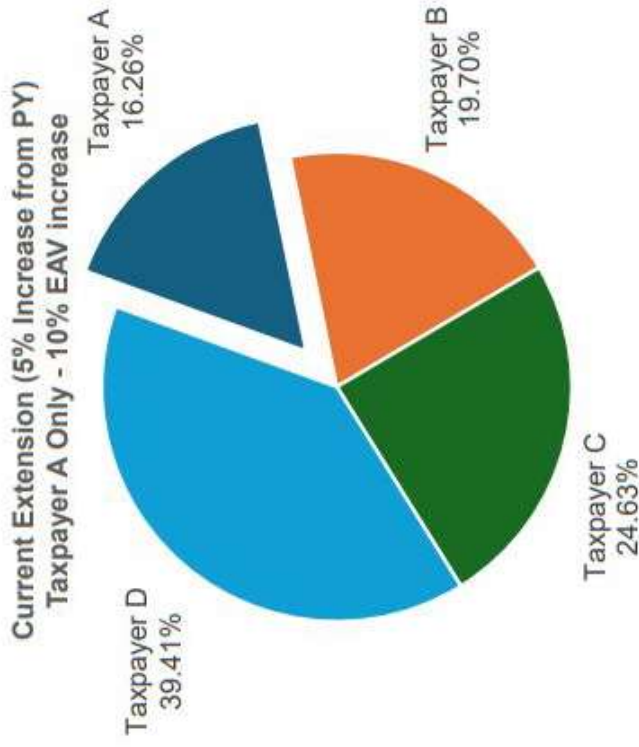
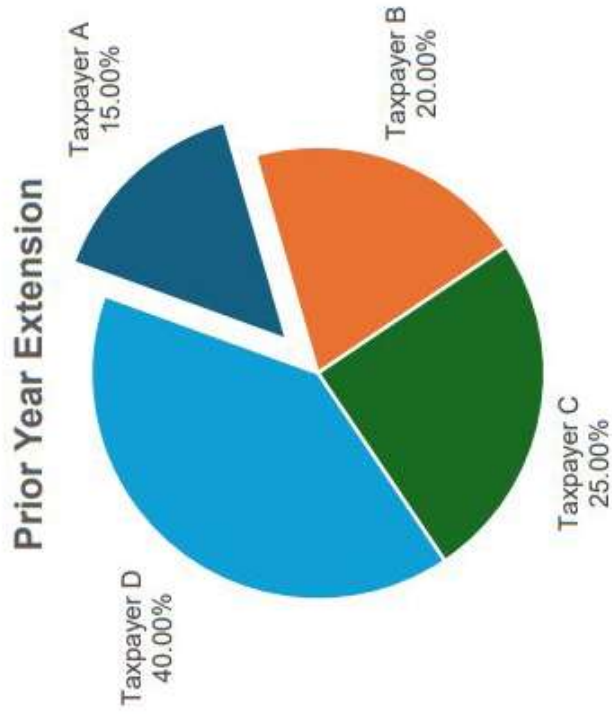
# Levy Update

	Cook County	Dupage County
<b>Market Value (Estimated by County)</b>	\$200,000	\$200,000
Assessment Level	10%	33 $\frac{1}{3}$ %
Assessed Value Before Exemptions	\$20,000	\$66,667
State Equalizer	3.0355	1.0000
Equalized Value	\$60,710	\$66,667
Homeowners Exemption	(\$10,000)	(\$8,000)
<b>Equalized Assessed Valuation</b>	\$50,710	\$58,667
Estimated Tax Rate	\$2.043	\$2.043
EAV times Estimated Tax Rate	\$103,600.53	\$119,856.68
<b>Divide by \$100 (Estimated Tax Impact)</b>	\$1,036.00	\$1,198.57

# Understand This Important Point!

Recognize That a Tax Bill is Affected by Both Your Levy and the Assessment Process!

- ▶ **A 5% increase in your tax extension does not mean that every single tax bill increases by exactly 5%!**



- ▶ **Although total of all tax bills increased 5%, Taxpayer A's bill increased 13.8% while all other taxpayers increased 3.45%**