

Round Lake Area Schools Community Consolidated School District 116 2025 Property Tax Levy –FAQ

This FAQ is designed to provide a clear, accessible explanation of how property taxes fund Round Lake Area Schools CUSD #116. It includes straightforward definitions, examples, and what taxpayers can expect each year. The goal is to simplify the levy process without losing key information.

Core Concepts

What is a Property Tax Levy?

A levy is the amount of money the District REQUESTS from property taxes to operate schools for the upcoming year. The levy is submitted to the County Clerk annually in December and represents the District's revenue needs for staffing, transportation, supplies, utilities, safety needs, technology, and student programming.

What is a Tax Extension?

The extension is the ACTUAL amount of tax revenue the District RECEIVES. Although the District requests a certain amount in the levy, it only receives what the law allows under the Property Tax Extension Limitation Law (PTELL).

What is PTELL (Property Tax Extension Limitation Law)?

PTELL—also known as the tax cap—limits how much revenue a school district can receive to the lesser of:

- 5% or
- The December-to-December Consumer Price Index (CPI)

For the current year, CPI is 2.9%. This means the District can only receive a 2.9% increase from existing taxpayers, regardless of what is levied.

What is CPI?

The Consumer Price Index measures inflation—how much costs increase year to year. School district costs rise just like household expenses: materials, fuel, employee benefits, insurance, and contracted services.

What is EAV?

EAV (Equalized Assessed Value) represents one-third of a property's fair market value. EAV is used—not market value—to determine each taxpayer's portion of the total tax levy.

Example: A \$300,000 home generally has an EAV of about \$100,000.

How Property Taxes Work

How are Property Taxes Calculated?

Your property tax bill is based on:

- Your property's EAV
- The tax rate, which is determined by dividing the levy request by the community's total EAV

If EAV goes up, tax rates tend to go down—and vice versa.

For the 2025 Levy the following is an estimation of the rate calculation:

Required Data for Calculation:

2024 Tax Year Extension	\$ 31,780,023
2025 Estimated EAV	723,763,449
2025 New Property Estimate	588,426
2025 CPI as of December 31*	2.9%

** Based upon the percentage change in the national Consumer Price Index for All Urban Consumers from December to December of the year preceding the levy year calculation.*

Step 1

$$\text{Numerator: } \$ 31,780,023 \times 102.9\% = \$ 32,701,644$$

Step 2

$$\text{Denominator: } 723,763,449 - 588,426 = 723,175,023$$

Step 3

$$\text{Limiting Rate: } \$ 32,701,644 / 723,175,023 = 4.5220$$

Step 4

$$\text{Extended Tax: } \$ 723,763,449 \times 0.045220 = \$ 32,728,252$$

$$\text{Additional extension for New Property: } \$ 26,608$$

**Amount from Step 4 minus amount from Step 1 (\$32,728,252 - \$32,701,644)*

Why Does My Tax Bill Change More Than the Levy?

Even if the District requests a small increase, individual bills vary because:

- Your EAV may change differently than the community average. This year's average is estimated to be a 12.4% increase to house values.
- Your exemptions may change (General Homestead, Senior, Senior Freeze, Disabled Veteran)

- Other taxing bodies (village, township, county, fire district) set their own levies.

The District controls only its portion of the bill.

What Is New Property and Why Does It Matter?

New property includes new construction, additions, or property returning to the tax rolls after a tax incentive (like a TIF). PTELL allows districts to receive FULL taxes from new property—this does not increase taxes for existing homeowners.

Why the Levy Looks Higher Than What Taxpayers Pay

Why Does the District Levy Higher Than CPI?

Because new property values are unknown in December, the District must estimate them. The actual value of the properties will not be released until the Spring, 2026. If the District levies too low, it permanently loses revenue—even if new property is higher than expected.

Levying slightly above projections ensures all legally allowed revenue is captured without increasing taxes beyond PTELL limits.

What Is a Balloon Levy?

A balloon levy is a protective strategy used throughout Illinois. It ensures the District does not under-levy and lose long-term revenue. Balloon levying does NOT mean taxpayers pay more—the District still only receives what PTELL allows.

Impact on Schools and Taxpayers

What Happens If the District Under-Levies?

Under-levying creates permanent revenue loss that compounds every year. Because future levies are based on the prior year's extension, any amount lost this year reduces school funding every year going forward.

This would directly impact:

- Class sizes
- Student programming
- Staffing and benefits
- Safety and security measures
- Transportation and building maintenance

Does the District Automatically Receive More Money When Home Values Rise?

No. PTELL prevents the District from collecting more revenue from existing taxpayers than CPI or 5%, whichever is lower. Even if home values rise significantly, the District's revenue from existing property owners is strictly capped.

Does the Levy Pay Off Debt?

Only the Debt Service levy goes toward building bond payments (i.e. debt), and it is NOT subject to PTELL.

Based on the 2025 Levy, can you estimate the impact on my tax bill?

That is difficult because individual bills vary. This year total house values in the District are estimated to increase by 12.4%, but if the increase to your house value varies from the community average, there will be a different impact to your tax bill.

Using the projected 2025 tax extension rates the District anticipates it will receive, provided below is the projected impact of the 2025 Tax Levy on a residential home owner whose house value increases by the estimated 12.4%.

	2024 Levy Year	2025 Levy Year Estimated	
Fair Cash Value of Home	\$200,000	\$224,883	
<i>* Estimated 12.44% increase to home values, on average.</i>			
Assessed Valuation	\$66,667	\$74,961	
w/ Homestead Exemption	\$8,000	\$8,000	
Taxed Value	\$58,667	\$66,961	
D116 Estimated Tax Rate*	5.9680	5.4300	
D116 Estimated Taxes	\$3,501	\$3,636	
Estimated \$ Increase		\$135	
Estimated % Increase		3.85%	
Fair Cash Value of Home	\$300,000	\$337,324	
<i>* Estimated 12.44% increase to home values, on average.</i>			
Assessed Valuation	\$100,000	\$112,441	
w/ Homestead Exemption	\$8,000	\$8,000	
Taxed Value	\$92,000	\$104,441	
D116 Estimated Tax Rate*	5.9680	5.4300	
D116 Estimated Taxes	\$5,491	\$5,671	
Estimated \$ Increase		\$181	
Estimated % Increase		3.29%	



This calculation is based upon the estimated change in the equalized assessed valuation and the tax rate generated. The actual percentage change for each taxpayer will vary based on each individual assessment from the Lake County Assessment office.

Timing and Process

When Is the Levy Filed?

School districts must file the annual levy by the last Tuesday in December. Final revenue amounts (extensions) are not known until Spring, when the County Clerk finalizes EAV and rates.

Which Levy Years Fund a Fiscal Year?

Each fiscal year uses revenue from two overlapping levy years. For example, this year (Fiscal Year 2026) uses revenues from the 2024 and 2025 levies.

Why Does the Levy Process Happen Before Final EAV Numbers Are Known?

The County does not finalize EAV and new property values until the spring after the levy is filed. Because of this delay, districts must estimate values to avoid leaving revenue uncollected.

What Taxpayers Should Know

Does the District Control Property Assessments?

No. Assessments are determined by Township Assessors and the County Assessor. The District plays no role in assessment increases or decreases.

How Much of My Tax Bill Goes to RLAS-116?

Typically, the school district represents the largest portion of a homeowner's tax bill. This is because Illinois heavily relies on local property taxes to fund education.

What Would Happen If RLAS-116 Did Not Increase the Levy?

Freezing or cutting the levy would cause multi-year financial deficits and reductions in services. Because the District cannot recover lost revenue, long-term school funding would be severely impacted.