



COOK COUNTY ASSESSOR'S OFFICE

Joseph Berrios

The Assessor has nothing to do with tax rates and tax levies—which are the domain of the City of Chicago, suburbs and the taxing bodies related to each.

The real estate market in Cook County is regaining much of its strength following the broad decline of previous years. **The good news is that homes are worth more. The bad news is that homes are worth more.** In other words, increased market value logically requires an increase in assessed value. So, value and assessments have grown, just as they declined during “down” markets in previous years.

Increases in assessed value may seem jarring because reassessment is done only every three years (triennially). The previous reassessment of North Suburban Townships and the City of Chicago covered the worst years during the housing market’s historic crash. The new reassessments have occurred over three years in a much healthier market.

There was a false bottom coming from a too-low starting point during the housing crash. Now that the market has substantially recovered, there may be some “sticker shock” because not only is there the normal increase in value, but there's a greater *leap* because we were coming from that unusually low point of the crash. Thus, a normal increase in value, [hopefully] typical over a long period of time, seems to come all at once instead of incrementally. Same increase in value; unusual timetable.

- The Assessor’s Office determines only a fair “estimated Market Value” (MV) for property. For residential taxation, state law requires “Assessed Value” (AV) to be 10% of MV. For industrial and commercial [business] property, AV is 25% of MV. Simply put, AV and the Equalized Assessed Value (EAV) are *partial property value amounts on which property taxes are computed when applying a community’s local tax rate and levies.*
- Property owners should please note that their most recent estimated MV and AV have not increased (or decreased) only “since last year.” The time period measuring current value began *three years ago*, the start of the new triennial reassessment period. Again, this “Tri” had an unusually low starting point: the real estate crash of the preceding triennial years.

So, new reassessments are affected by sales and market conditions within two triennials (totaling as many as six years). The Years of measurement ranged from the low years to the now years-long period of higher home sale prices. So, we started with an unusual “bottom” and are now at a healthier current market.

It is intuitive that if market value of a property improves, its assessed value will also increase. Thus, assessed value plays its proper role in an *ad valorem** system.

In accordance with the law, the Assessor’s Office cannot and does not consider potential tax amounts when determining estimated market value and assessing property. Regardless of an assessment amount, tax rates and levies (*especially* levies) are the primary determining factors in the *dollar amounts* of tax bills.

Any increase or decrease in value for a single-family home in Chicago did not happen “in one year.” The time period measuring current value began *three years ago*, with the new triennial reassessment period (2013-2015). Also, this “Tri” had an unusually low starting point: the real estate market crash of the preceding triennial years (2010-2012).

So, new reassessments are affected by sales and market conditions within two triennials (totaling as many as six years) including 2008-2011, the lowest time in the historic market collapse. New triennials include the now years-long period of higher average home prices.

**Levying of tax or customs duties in proportion to the estimated value of the goods or transaction concerned.*

KEY FACTS TO KEEP IN MIND WHEN DISCUSSING PROPERTY TAX BILLS AND PROPERTY TAXATION IN GENERAL

- (Repeating) The real estate market in Cook County is regaining much of its strength following the broad decline of previous years. The good news is that homes are worth more. The bad news is that homes are worth more. In other words, increased market value logically requires an increase in assessed value. So, value and assessments have grown, just as they declined during “down” markets in previous years.
- The North Suburbs and City of Chicago (the areas primarily covered in Dennis Rodkin’s latest piece) remain among the most desirable communities in Illinois.
- *The Assessor doesn’t decide taxes or the dollar amount of a tax bill.* His job is only to determine fair market value of property. **Local tax rates, levies and the state equalizer used to compute tax bills are set by cities, townships and the State of Illinois.**
- **The State Equalizer has again been *reduced***; it is dramatically lower since Assessor Berrios took office. Equalizer reductions indicate property assessment is fairer and more equitable. The Equalizer is a measure of value-to-assessment, so a **lower equalizer shows assessments relate better to market values**, based on sales and other factors.
- If a taxpayer feels their assessed valuation is too high, the Assessor’s Office encourages them to appeal assessed valuation because no one knows a property better than its owner. We view the appeal process as an important step in the valuation process. Our goal is the fairest valuation of their home.
- Assessor Berrios has made the appeal process easier and has increased the number of community workshops to over 125 per year
- If an appeal is not successful, the property’s valuation will not go up. Properties are normally reassessed only every three years (triennially). Appeal changes for a tax year are shown on the Second Installment Property Tax Bill, mailed the following *calendar* year.
- There is no fee for appealing an assessed valuation and taxpayers *do not need an attorney* to file an appeal on a residential property

- It is very important to remember, as mentioned earlier, that the Equalized Assessed Value (EAV) is not the amount of the taxes. The EAV is the *partial property value on which taxes are computed*. Any exemption deduction from EAV is not the dollar amount by which the tax bill may be lowered.

Our office can be reached at (312) 443-7550 and our web site contains virtually any information you might need on all topics related to property taxes:
www.cookcountyassessor.com/

IN THE NEARLY SIX YEARS SINCE JOSEPH BERRIOS BECAME ASSESSOR:

- **Assessor's Office** became leaner and more efficient: **25% reduction in staff**
- **Tax Bills out on time** every year since Joseph Berrios became Assessor—six straight years.
- **On-time tax bills assure** that school districts, municipalities and other taxing bodies get their revenue on time and thus do not have to borrow money via Tax Anticipation Notes (TAN). By eliminating borrowing, tens of millions of dollars in **interest are saved** each year; those savings are passed on to taxpayers.
- Tax bills had never gone out on time for 34 consecutive years before Berrios became Assessor.
- Berrios in 2012 proposed legislation (signed by Gov. Quinn in 2013) making it possible to recover revenue lost because of erroneous exemptions. To date, more than **\$18.6 million has been recovered** and returned directly to taxing bodies.
- **Taxpayer Services much more efficient**. Wait times were 30-60 minutes under previous assessors, over an hour during “busy season.” Average wait time under Berrios is 10-18 minutes during “busy season,” less at other times.
- No more lines stretching down LaSalle Street and holding pens in the lobby of the County Building.
- Number of employees in the Assessor's office was 388 when Berrios took office. It now stands at approximately 288.
- **Appeal process has been streamlined and made much more open. Record number of appeals processed.**

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INFORMATION FOR TAXPAYERS REGARDING EXEMPTIONS

The State of Illinois offers numerous exemptions designed to lower property tax bills with deductions from Equalized Assessed Value (EAV)* The Cook County Assessor's Office is responsible for administering exemptions. All exemption dollar-amount savings are deducted from Second Installment Property Tax Bills.

Seniors can receive tremendous help available to avoid being "taxed out of" their homes. The Senior Freeze does just that—it freezes a senior-citizen-owned property's assessed value if it is supposed to increase dramatically when the market improves. The senior freeze reduces would-be tax bills by thousands of dollars (I can give you an actual example from Wilmette.)

Further, tax bills for people of all ages are also limited or reduced by hundreds of dollars via any of nine (9) exemptions from the State of Illinois which the Assessor administers. Together with the senior freeze, they all affect this otherwise *ad valorem** system of property taxation.

You may be eligible for one or more exemptions, including:

- 1.) Homeowner Exemption
- 2.) Senior Exemption
- 3.) Senior Freeze Exemption
- 4.) Disabled Persons Exemption
- 5.) Disabled Veterans Exemption
- 6.) Returning Veterans Exemption
- 7.) Home Improvement Exemption (different terms apply; please contact us for details.)

Again, please be sure to note that EAV is not the amount of your taxes. The EAV is the *partial property value (including the state equalizer) to which local tax rates and levies are applied*.

If, in this or three to four previous tax years, you did not receive an exemption to which you were entitled, that can be corrected. Your savings will be paid back to you via a **Certificate of Error** (C of E). Please contact the Assessor's Office to learn if a C of E is appropriate in your case.

For more information on exemptions, appeals or any property tax topic, the Cook County Assessor's Office is ready to assist you any time at (312) 443-7550 or www.cookcountyassessor.com/. Feel free to visit the location most convenient for you.

- **Chicago office:** 118 N. Clark St., Room 320, Chicago, IL 60602 (312) 443-7550
- **Skokie office:** 5600 Old Orchard Road, Room 149, Skokie, IL 60007 (847) 470-7237
- **Bridgeview office:** 10200 S. 76th Ave, Room 237, Bridgeview, IL 60455 (708) 974-6451
- **Markham office:** 16501 S. Kedzie Ave, Room 237, Markham, IL 60426 (708) 232-4100

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