

Questions and Answers about Tax Bills due August 1, 2013

By Ali ElSaffar, Oak Park Township Assessor

Modest increases in the tax levies of local governments, coupled with an increase in appeals caused by a weak housing market, combined to create tax increases of 3.8% or less for most Oak Park property owners this year. A subset of homeowners, however, will see their taxes rise by significantly more than 3.8%.

Tax Levies. Under state law, local governments can generally increase their tax levies by no more than the annual rate of inflation, which was 3% for this year's tax bills. However, the total tax levies of local governments increased by just 1.2% this year. This is just the second time in the last thirteen years that Oak Park tax levy increases have been below the level of inflation.

The tax levy of Oak Park and River Forest High School is the primary reason that the overall tax levies in Oak Park were less than inflation. Whereas most local governments increased their levies by about the rate of inflation, the high school *reduced* its levy by 1.8%. Since the high school represents about 28% of local property tax bills, a decline in its levy has a significant impact on the overall tax levy.

Effect of Appeals on Tax Bills. Although the modest 1.2% increase in tax levies is good news for taxpayers, tax increases for most property owners will exceed 1.2%. This is due to the decline in Oak Park property values in 2011 and 2012, which led many Oak Park property owners to file appeals claiming that their properties were overassessed.

Under our property tax system, whenever one property reduces its taxes through a successful tax appeal, every other property owner has to pay a little more to insure that all the money levied by local governments is collected. This year, those who did not file appeals had to pay about 2.6% more to make up for those who did. This 2.6% increase is on top of the 1.2% tax levy increase brought about by local governments.

Why were tax bills mailed out so early this year? For the second year in a row, Cook County taxing agencies have made a concerted effort to comply with state law, which mandates an August 1 due date for second installment tax bills in Cook County. In prior years, second installment bills were often mailed out many months after the due date prescribed by law. But county officials are now determined to mail tax bills on time, which means that second installment tax payments will be due on August 1 for the foreseeable future.

Can I do anything to reduce my current tax bill? If you are eligible for a homeowner, senior citizen or other exemption but did not receive one, the Township Assessor's office can assist you in obtaining a revised bill for a smaller amount. If you have received all exemptions for which you are eligible, you likely will not be able to do anything about your current bill.

Can I do anything to reduce future tax bills? Later this summer, the Cook County Board of Review will be accepting appeals from Oak Park residents for next year's taxes. When appeal dates are announced, residents may call Oak Park Township to schedule an appointment for help in preparing an appeal. Residents can also attend a tax appeal forum sponsored by Board of

Review and co-sponsored by the offices of the Oak Park Township Assessor and State Senator Don Harmon. The forum will take place on July 26, 2013 at 6:30 PM in the auditorium at Percy Julian Junior High School, located at 416 S. Ridgeland Avenue.

Detailed information on changes in the Homeowner Exemption. In 2005, a variable homeowner exemption took effect in Oak Park. Last year, this variable exemption saved homeowners as much as \$2,110 in taxes, or as little as \$633. But changes in the law taking effect this year reduced the maximum exemption while increasing the minimum exemption.

The minimum value of Oak Park's homeowner exemption this year increased from \$633 to \$811. As a result of this change, those who received the minimum exemption last year and this year saw tax increases of less than 3.8%.

Those who received a homeowner exemption worth more than \$811 last year, however, experienced a decline in the value of the exemption this year. The amount of the decline varies by property, but it can correspond to a large tax increase, reaching \$1,300 for some property owners.

The variable homeowner exemption is being phased out. Anyone with a homeowner exemption worth more than \$811 this year will have a smaller exemption next year. In two years, the value of the exemption will fall to the minimum level for all homeowners.

Detailed information on changes in Senior Citizens Exemptions. There are two money-saving tax exemptions for senior citizens, one of which is worth more this year, and one of which is worth less. The Senior Citizen Exemption was worth \$420 last year, but thanks to a change in state law, it is worth \$580 this year. The Senior Citizen Exemption is available to all residents sixty-five years or older who live in their homes.

In addition to the Senior Citizen Exemption, seniors with household income of less than \$55,000 are also eligible for a tax break called the Senior Freeze. This year, the tax savings under the Senior Freeze program have declined by about 10%. Fortunately for these lower income seniors, the decline in the value of the Senior Freeze is partially offset by the increase in the value of the Senior Citizen Exemption.

The bottom line is that seniors on the Senior Freeze will see tax increases of no more than 10%, whereas seniors not on the freeze will see very small tax increases and may even see tax declines.

Tax Levies for Government Units Serving Oak Park
2012 Taxes Paid in 2013 (Excluding TIFs and Special Service Areas)

<i>Unit of Government</i>	<i>2011 Total Levy (Paid in 2012)</i>	<i>2012 Total Levy (Paid in 2013)</i>	<i>Levy Growth</i>	<i>% of Total Tax Bill for '12</i>
School District 97	\$57,424,661	\$59,041,732	2.8%	34.6%
High School District 200	\$48,673,628	\$47,809,689	-1.8%	28.0%
Village of Oak Park	\$22,707,972	\$22,978,642	1.2%	13.5%
Cook County	\$7,377,696	\$7,806,564	5.8%	4.6%
Oak Park Library Fund	\$8,894,754	\$9,423,743	5.9%	5.5%
Water Reclamation District	\$5,110,092	\$5,439,602	6.4%	3.2%
Triton College District 504	\$4,263,733	\$3,954,738	-7.2%	2.3%
Oak Park Township	\$4,215,826	\$4,366,383	3.6%	2.6%
Oak Park Park District	\$8,271,962	\$8,512,242	2.9%	5.0%
Miscellaneous Agencies	\$1,548,997	\$1,146,727	-26.0%	0.7%
Totals	\$168,489,321	\$170,480,062	1.2%	100.0%

Distribution of Oak Park Property Taxes 2012 Taxes Paid in 2013

