

TAX RELIEF FOR SOME MODERATE-INCOME, LONG-TERM HOMEOWNERS

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A new tax relief program is coming into effect this fall that may help Oak Park residents who moved into their homes before 1997 and have annual household income of less than \$100,000; additional relief may be available for long time homeowners with household incomes of less than \$75,000. Applications for the new program were mailed last week by the county assessor's office, and must be returned by June 30.

The Long Time Occupant Exemption ("the new program") may be of special help to the large number of Oak Park households who benefited under the Long Term Homeowner Exemption ("the old program"), which expired after the 2004 taxes were paid in 2005. According to Oak Park Township Assessor Ali ElSaffar, about 6% of Oak Park households benefited from the old program, which frequently provided significant property tax relief. By pure happenstance, the old program benefited Oak Park more than any other suburb in Cook County. Although this was good news for Oak Park residents during the life of the old program, it meant that the old program's demise was particularly traumatic for Oak Park.

"When the first tax bills were issued without the benefit of the old program in the fall of 2006, many beneficiaries of the old program were shocked by dramatic tax increases," Assessor ElSaffar said. "These increases were especially painful because the old program was targeted to long term residents with low- to moderate-incomes. The tragic but unintended result of the old program's expiration was that the largest tax increases in 2006 were borne by the taxpayers who could least afford them. There is no doubt that this forced some long term residents out of Oak Park."

There was a legislative effort to replace the old program and thereby prevent the trauma that many Oak Parkers experienced in 2006. The effort was known as the 7% Assessment Cap, which provided for a larger homeowner exemption than had been in effect earlier, and was available to all homeowners regardless of level of income or length of residency. But there were limitations to the benefits under the 7% Cap, and these limitations led to very large property tax increases for the great majority of beneficiaries under the old program.

The new program removes the 7% Cap's limitations for long time homeowners who meet the program's income requirements. As a result, there is a strong possibility that the new program will provide tax relief to residents who had benefited under the old program, and to other residents as well. Due to the complexities of the program, however, there will also be some homeowners who meet the income and residency requirements of the new program but will not receive any tax relief. Anyone with questions about eligibility under the new exemption should feel free to call the Oak Park Township Assessor's office at (708) 383-8005.

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