GENERAL EXPLAINER

Cook County Property Tax Appeal System

What is My Property Tax Bill Based On?

Property tax bills are based on two components: (1) a property's assessed value, and (2) local taxing district levies (the amount of money each district needs to operate). Each property owes taxes based, in part, on the rates set by its local taxing districts. Taxing districts include water reclamation districts, park districts, public libraries, schools, townships, counties, police pensions, and more. There are over 2,000 total taxing districts in Cook County. Each bill lists the taxing districts funded by that property's taxes. If a taxpayer believes their tax bill is incorrect or too high, they can appeal the assessment.

However, appealing a property's assessed value does not necessarily result in a lower tax bill. Not all homeowners win their appeal, and an appeal does not change the rates set by taxing districts. A property's share of the total assessed value of all properties in the community affects a homeowner's property tax burden. A home's value can increase while its share of property taxes owed decreases. Alternatively, a home's value can decrease while its share of property taxes owed increases. An appeal is intended to make a home's assessed value as accurate as possible.

How and When are Properties Reassessed?

All of the nearly 1.9 million properties in Cook County are reassessed once every three years. Reassessment periods alternate between the northern suburbs, southern suburbs, and the City of Chicago. The Cook County Assessor's Office (CCAO) is responsible for determining the assessed values of properties based on fair market/cash value and a property's classification. The assessment is required by law to reflect the assessor's best judgment of fair cash value (state law) or market value (county ordinance).

Fair market value is what a property would sell for on the open market. This depends on real estate market conditions and, if industrial or business, the income produced from the property. Property classifications cover many major classes, which include residential, vacant, multi-family, not-for-profit, commercial, and industrial, among others. Each major class is broken down into specific categories. For a residential property, classes differ if the home is one-story up to 999 square feet versus one-story between 1,000 and 1,800 square feet.*

In Cook County, vacant parcels and residential properties, including apartment buildings, are assessed at 10% of fair market value. Commercial properties, including businesses and industries, are assessed at 25% of fair market value. For example, a home with a $100,000 fair market value would be assessed at $10,000. A commercial property with a $100,000 fair market value would be assessed at $25,000. The CCAO determines a residential property's value through sales comparison averages, essentially evaluating the relationship between the value of one home and that of neighboring homes. Property is supposed to be valued with others of the same kind, i.e., similar properties should be assessed similarly.

When a property is reassessed, owners receive a reassessment notice, which contains the home's property index number (PIN), characteristics, estimated fair market value, and the proposed assessed value. If the home has an exemption, it also lists what exemption has been applied. The CCAO encourages owners to review their proposed assessment and file appeals when necessary.

*There are many residential property classifications based on the type of home, its age, size, and use. The CCAO has published *Definitions for the Classifications of Real Property* that cover every class and can be found on their website.

How Do Appeals Work?

The property tax appeals system in Cook County involves the CCAO, the Board of Review (BOR), the Illinois Property Tax Appeal Board (PTAB), and sometimes the Circuit Court. If a homeowner reviews their reassessment notice and realizes something is wrong, they have approximately 30 days to appeal to the CCAO. The last date to appeal is printed on the reassessment notice. Homeowners commonly appeal because the characteristics listed for their home are incorrect, they have additional home information that was not considered in the reassessment, or they believe their home is worth less than the fair market value listed. The most persuasive residential appeals focus on physical characteristics of the home itself. If a home has more square footage, fewer bedrooms, or a different type of flooring than the assessment says, that should be corrected.

Homeowners can also appeal to the BOR, either instead of appealing to the CCAO, or after appealing to the CCAO. The BOR separates the 38 townships into approximately eight groups, and each group has a 30-day window to file an appeal. Appeals to the BOR must be filed on an official Board of Review Complaint Form, and homeowners may request a hearing for any reason. Homeowners can appeal to the BOR if the assessed value of their home is higher than that of other similar properties (lack of uniformity), the characteristics listed for the property and its description are incorrect (correction of a factual error), or the property is uninhabitable because of damage by flood, fire, demolition, or other unforeseeable circumstance (special circumstances). After hearings and re-reviews are conducted, which allow homeowners to resubmit complaints, correct mistakes, and have the appeal reconsidered, the BOR certifies its revised assessed values, and these are used to calculate tax bills.

If a homeowner is satisfied with the result of their appeal to the BOR, they can stop there. No additional steps need to be taken. If a homeowner is not satisfied, they can appeal further to the state Property Tax Appeal Board (PTAB). A petition for appeal to PTAB must be filed within 30 days of the BOR's written decision. Homeowners do not have to pay their property tax bill before PTAB's decision, but the bill will accrue interest charges while the case is pending.

Homeowners can also appeal to the county Circuit Court instead of appealing to PTAB, and that appeal can be filed up to 165 days after the final property tax installment for the year is due. Unlike PTAB, homeowners do have to pay their property tax bill before filing an appeal in court. Homeowners can also appeal to the county Circuit Court after appealing to PTAB if dissatisfied with the result. Appeals before either body can take years to resolve. The majority of appeals stop after going through the Board of Review.

Where Can I Find Additional Information?

- For a visual overview of the property tax appeal process in Cook County, see the Impact for Equity Property Tax Appeals Process Flowchart at impactforequity.org/appeals.
- For information about types of appeals and evidence to include in an appeal, see the Impact for Equity Common Types of Property Tax Appeals and Property Tax Appeals Checklists (# 1 – 6) at impactforequity.org/appeals.
- For more information about property tax bills, reassessments, and appeals, visit the Cook County Assessor's Office website at cookcountyassessoril.gov.
- For more information about appealing to the Cook County Board of Review, visit the Board of Review's website at cookcountyboardofreview.com.
- For more information about appealing to the Illinois Property Tax Appeal Board, visit the Property Tax Appeal Board's website at ptab.illinois.gov.

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