

A publication of
the Kane County
Assessment
Office

KANE

Kane Assessment News, Etc.

From Mark's Desk . . .

Politics and Property Taxes

Inside this issue:

Kane County Supports Assessment Legislation	2
Take Five! with Sam Pintacura	3
Mappers attend GIS Conference	3
How Long do assessment reductions last?	4
Assessment Legislation Introduced	5
Exemption Legislation Introduced	6
2007 Board of Review Progress	7
Assessment Office Production	8



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The trouble with political jokes is that very often they get elected.

—Will Rogers

In Illinois, each of the 102 counties has a Board of Review. The Board of Review's duties are set by the property tax code, and generally revolve around hearing assessment complaints and processing applications for exemptions. Under state law, a county can choose to elect a Board of Review, or have one appointed by the County Board Chairman with the consent of the County Board. A few counties statewide use the former method, while most (including Kane County) use the latter. It is interesting to note that in one nearby county, a group of citizens is advocating to switch from an *appointed* to an *elected* Board of Review, saying that the move will "take the politics out of the office." Perhaps after the 2008 primary elections, the group will think a little differently.

Another nearby county elects its Board of Review. The race between two candidates was heated, and there were a number of television commercials (some complete with musical numbers—check them out on YouTube if you missed them) that were, umm, interesting. One night when my family and I were watching television, one came on. The candidate for the Board of Review pledged to freeze taxes and increase exemptions (neither of which are within the Board's authority), and then noted his support for "better health care". Some smart aleck in the room (okay, it was me) said, "What—no position on border security?"

Promising tax reform that one is not in a position to deliver is not just irresponsible, but it also contributes to misunderstandings about what can and cannot be done by Boards of Review in the course of property tax administration.

A more responsible course is being charted right here in Kane County. On January 23, the Kane County Board sponsored its annual legislative breakfast. It was an opportunity to talk about the needs of Kane County taxpayers with the six representatives and five senators that represent us in the Illinois General Assembly. The County Board ended up supporting a five-point plan that Representative Tim Schmitz later introduced into the Illinois House. You can read about it on page two of this newsletter.

It's always easy to make empty promises or attack others as the centerpiece of a political campaign. A better way is to work together to provide real solutions for the taxpayers that we all serve.

Your thoughts and comments are always welcome.

Kane County and State Representative Schmitz Craft Property Tax Relief Bills

A proposal to provide relief to Kane County taxpayers was announced at the County Board's Annual Legislative Breakfast on January 23, 2008.

As required by state law, Kane County administers a property tax system it did not create and lacks the authority to change—and it is responsible for collecting the tax levies of other units of government that it cannot control. While there is a *Property Tax Reform and Relief Task Force* in the General Assembly, its report is not due until 2010 and real relief may be years away. Therefore, this proposal was developed to provide immediate relief:

- **Index all Property Homestead Exemptions to the Annual Rate of inflation.** Random and sporadic adjustments to the value of the senior freeze, the general homestead exemption, and the senior homestead exemption fail to reflect annual increases in inflation and the cost of health care, energy, and other necessities. Indexing the value of the exemptions to the rate of inflation will make the exemptions more reflective of current economic conditions and will not require sporadic readjustment by legislators in Springfield.
- **Expand Income Eligibility for the Senior Citizen Assessment Freeze to \$75,000 for Seniors Living in their Homes for 5 years or more.** The bill will authorize these middle-income households to apply to their county assessment officials to get enrolled in the Senior Assessment Freeze. In addition to showing that they are eligible for the freeze if seniors fall within the \$55,000 to \$75,000 income category, successful applicants in this category will have to file papers showing that they have lived in their home for at least 5 years. This will cut down the impact of this change on local governments, and grant this tax break to those who need it most—long-time senior homeowners who are trying to protect their homes.
- **Require Counties with Populations in Excess of 75,000 Develop and Maintain an Online Assessment Database Website.** Fair property assessments to the county assessor, board of review or Illinois Property Tax Appeal Board is problematic if they do not have the necessary tools to successfully compile evidence of an inaccurate assessment. Requiring all residential assessment data be available via a website in counties with a population over 75,000 will educate taxpayers and increase the success rate of property assessment appeals.
- **Allow Taxpayers to Receive Refunds for Missed Exemptions or Assessment Errors for up to Three years.** On occasion, taxpayers may inadvertently fail to receive a deserved homestead exemption on their property tax bill, which can result in a loss of hundreds of dollars to the home owner. Unless the error is discovered within a narrow time period, the taxpayer cannot go back to the county to request a refund on their overpaid tax bill. The bill will enable taxpayers to recover their hard earned dollars through a refund, with the time period limited to the immediate three past years.
- **Permit Local Governments to Recoup Dollars Lost Due to Fraudulent Exemptions.** Fraudulent exemptions that are applied on properties that are not entitled to have them cost taxpayers, since the revenue lost from the fraudulent exemptions must be recovered from already overtaxed, honest taxpayers. The legislation will permit counties to retroactively bill taxpayers for fraudulent exemptions. It will ensure that no one will have to pay extra tax dollars because of someone claiming an exemption for which they are not entitled.

The five-point plan was introduced by Representative Tim Schmitz into the Illinois House on February 13, 2008. To check the status of these bills, contact Representative Schmitz's office in Geneva at (630) 845-9590, or check the general assembly's website at www.ilga.gov.

The five-point plan was presented at the Kane County Board's Legislative Breakfast on January 23, 2008.

Take Five! with Sam Pintacura

Salvatore “Sam” Pintacura is a computer-aided design specialist for the County Assessment Office. His duties include cadastral mapping, farmland analysis, and customer service. He joined the office in 2005. *Take Five Questions:*

What is your family like? *Me and my wife Claire.*

What is a favorite childhood memory? *My uncle owned a toy store and I was allowed to “help myself” to anything in the store whenever my*

father and I visited him.

What are your favorite pastimes? *My camera, computers, car and pool table.*

What television shows do you enjoy and why? *The Sopranos is my favorite T.V. Show; I am not sure why!*

What is a funny memory from your past? *The day after I proposed to my wife Claire we traveled to Dallas on business. While she was busy I went to a tattoo shop and got a very ugly, large, fake tattoo of*



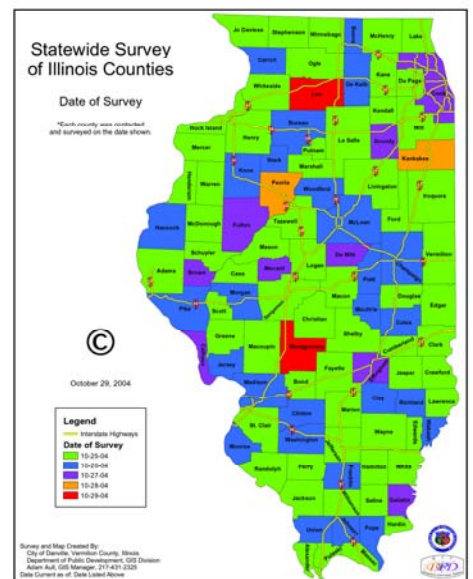
Sam Pintacura

her name on my shoulder. When I showed her the tattoo, her unfavorable reaction was in my opinion, very funny. She married me anyway.

Mappers Attend GIS Conference

Cadastral Mappers Lenny Finstrom, CMS and Sam Pintacura, CMS recently attended the Illinois GIS Association (ILGISA) Fall Conference in Oak Brook. They had the opportunity to exchange ideas and experiences with other GIS users, and to participate in educational programs. Scheduled activities included a key note speaker, certificate workshops, venter exhibit hall, general sessions and committee meetings. Pintacura and Finstrom attended workshops on Geodesy, Maps from Illinois History, Early Surveyors and Surveying Methods, The Virtual Illinois Tollway GIS, Transportation lane closure management, Out of the Box software capabilities, ¼ ft. Color Aerials with Planimetrics and Current LiDAR Technology. Geographic Information Systems are the foundation of any modern cadastral mapping program.

Both Finstrom and Pintacura hold the *Cadastral Mapping Specialist* Designation from the International Association of Assessing Officers.



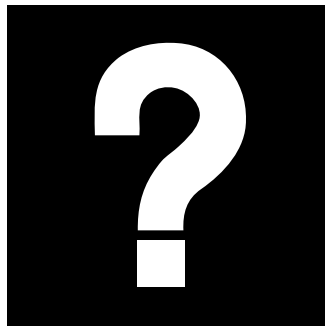
The Illinois GIS Association promotes the statewide use of Geographic Information Systems.

The conference provided the opportunity to participate in educational programs and exchange ideas with other GIS users.

A monthly Q and A with Supervisor of Assessments Mark Armstrong

Ask Mark . . .

Question: If I appeal my assessment to the Board of Review and my assessment is lowered, how long does it last? What about to the state Property Tax Appeal Board?



Board of Review and Property Tax Appeal Board Excess decisions can last beyond the initial year in some circumstances.

Answer: It depends on what type of property is under appeal. The property tax code provides:

In any county with fewer than 3,000,000 inhabitants, if the board of review lowers the assessment of a particular parcel on which a residence occupied by the owner is situated, the reduced assessment, subject to equalization, shall remain in effect for the remainder of the general assessment period as provided in Sections 9-215 through 9-225, unless the taxpayer, county assessor, or other interested party can show substantial cause why the reduced assessment should not remain in effect, or unless the decision of the board is reversed or modified upon review.

35 ILCS 200/16-80

The current period of general assessment is 2007-11. Therefore, if the value of an owner-occupied residential property lowered by the Board of Review, it remains in effect until 2011 unless:

1. An equalization factor is applied at the county or state level.
2. An interested party can show "good cause" as to why the assessment should not remain in effect (this can include reassessment by the township assessor); or
3. The decision is changed by the state Property Tax Appeal Board or a court of competent jurisdiction.

The answer is a little different where the state Property Tax Appeal Board is concerned:

If the Property Tax Appeal Board renders a decision lowering the assessment of a particular parcel on which a residence occupied by the owner is situated, such reduced assessment, subject to equalization, shall remain in effect for the remainder of the general assessment

period as provided in Sections 9-215 through 9-225, unless that parcel is subsequently sold in an arm's length transaction establishing a fair cash value for the parcel that is different from the fair cash value on which the Board's assessment is based, or unless the decision of the Property Tax Appeal Board is reversed or modified upon review.

35 ILCS 200/16-185

The current period of general assessment is 2007-11. Therefore, if the value of an owner-occupied residential property lowered by the state Property Tax Appeal Board, it remains in effect until 2011 unless:

1. An equalization factor is applied at the county or state level.
2. The property sells in an arm's length transaction; or
3. The decision is modified on appeal by the state Property Tax Appeal Board or a court of competent jurisdiction.

"Ask Mark" is a monthly feature of KANE ASSESSMENT NEWS, ETC. To submit a question to Kane County Supervisor of Assessments Mark Armstrong, e-mail it to Kane.SOA@co.kane.il.us or send it to Mark at 719 S. Batavia Ave., Geneva, IL 60134.

Assessment Legislation to be considered by State Legislature

The following bills relating to Assessments have been introduced in the Illinois General Assembly in the past few weeks. For more information about a specific bill, go to <http://www.ilga.gov/legislation/default.asp>. Bills in italics are sponsored by Kane County legislators.

HB 4563—Deletes the requirement that certain fraternal organizations that receive an assessment freeze must submit an annual application.

HB4599—Provides that in addition to or instead of publishing any property tax assessment in a newspaper, a county of less than 3,000,000 may publish the assessment on its Internet website. Sets forth requirements for the Internet publication.

HB4787—Provides that, for the purposes of the definition of 33 1/3%, the fair cash value of property is determined by the lesser of: (1) the Department of Revenue's sales ratio studies for the 3 most recent years preceding the assessment year; or (2) the valuation of the property in the prior year (under the current law, the fair cash value is based on the sales ratio studies).

HB4909—Provides that, in counties with 75,000 or more inhabitants, the chief county assessment official shall publish on the county's Internet website all residential assessment data for each parcel of property in the county. (Sponsored by Rep. Tim Schmitz)

HB4911—Provides that if

the Department of Revenue determines that any property has been unlawfully exempted from taxation for any year prior to the current assessment year, then that property is considered to be omitted property and may be assessed as set forth under certain provisions of the Code. (Sponsored by Rep. Tim Schmitz)

HB4918—In counties with 75,000 or more inhabitants, requires the chief county assessment official to publish on the county's Internet website the property data for each parcel of property in the county. Requires that certificates of error be issued if an owner fails to file an application for any homestead exemption under Article 15 during any of the 3 previous assessment years and he or she qualifies for the exemption. Requires assessors to submit discovery to taxpayers at least 10 days before a hearing with a board of review.

HB5155—Exempts township assessors with at least 25 years of experience in the property assessment field from certain education requirements.

HB5303—Provides that if a barn is improved for the purpose of preserving the integrity of the internal and external features of the structure as a barn then, beginning with the assessment year immediately following the completion of the improvements, the value of those improvements is not included in the fair cash value of the barn. Provides that this special valuation applies only to structures that have been first placed

in service as a barn prior to 1937. (Sponsored by Rep. Patricia Reid Lindner)

SB2288—Increases the income tax rates for individuals, trusts, and estates from 3% to 5% of the taxpayer's net income and increases the rate of income tax for corporations from 4.8% to 8% of the taxpayer's net income. Creates an income tax credit for families with incomes below certain levels. Creates the School District Property Tax Relief Fund, and requires the General Assembly appropriate certain amounts into the Fund. Provides that grants must be made from the Fund to school districts. Requires that property taxes be abated in school districts by the amount of the grants from the Fund.

SB2820—Requires each chief county assessment officer in counties with less than 3,000,000 inhabitants to provide to each residential taxpayer a Homestead Assessment Disclosure Document that contains certain disclosures concerning the assessed valuation of homestead property. Requires the Department of Revenue to annually review the disclosures to ensure that they are accurate and that they comply with all applicable laws and rules concerning property valuations. Provides that, if a taxpayer files a complaint before a board of review, then, within 10 days after the complaint is filed, the board of review must provide the taxpayer with a detailed description of the rules and procedures for hearings before the board.

These ten bills are some of the assessment-related legislation recently introduced into the Illinois General Assembly.

Homestead Exemption changes considered by State Legislature

The following bills relating to Homestead Exemptions have been introduced in the Illinois General Assembly in the past few weeks. For more information about a specific bill, go to <http://www.ilga.gov/legislation/default.asp>. Bills in italics are sponsored by Kane County legislators.

HB4788—With respect to the Senior Citizens Assessment Freeze Homestead Exemption, increases the amount of the maximum income limitation from \$55,000 to \$60,000. Changes the definition of "household income" to include only the income of the applicant and his or her spouse, if the spouse resides in the residence (now, "household income" includes the income of all the members of the household).

HB 4907—*In the Senior Citizens Assessment Freeze Homestead Exemption, increases the maximum income limitation from \$55,000 to \$75,000 for applicants who have occupied the residence for at least 5 years. (Sponsored by Rep. Tim Schmitz)*

HB4908—*Provides that, beginning with the 2009 assessment year and unless otherwise stated, the maximum amount of each homestead exemption is increased over the maximum amount of that exemption for the prior year by an amount equal to the annual rate of increase, for the previous calendar year, of the Consumer Price Index for All Urban Consumers for all items, published by the United States Bureau of Labor Statistics. (Sponsored by Rep. Tim Schmitz)*

HB4756—Provides that, if the supervisor of assess-

ment or assessor fails to either provide notice to a taxpayer of eligibility for the homestead improvement exemption or to grant the exemption automatically, then, within 10 years after the date that the improvement or rebuilding is completed and occupied, the taxpayer, upon application, is entitled to a retroactive application of the exemption under this Section for 4 taxable years.

HB4910—*Requires that certificates of error be issued if an owner fails to file for any homestead exemption under Article 15 during any of the 3 previous assessment years and he or she qualifies for the exemption. (Sponsored by Rep. Tim Schmitz)*

HB4916—Provides that if, in order to qualify for a property-tax exemption, the taxpayer must have an income that is at or below a certain amount, then, for the purposes of that exemption, the term "income" does not include Social Security unless expressly stated otherwise. Increases the maximum reduction under the Senior Citizens Homestead Exemption from \$4,000 to \$5,500 for 2008 and indexes the reduction to the Consumer Price Index. Includes disabled persons within senior citizens assessment freeze. and changes the title of the exemption to the Senior Citizens and Disabled Persons Assessment Freeze Homestead Exemption. Decreases the age limit to qualify for the exemption from 65 years of age to 55 years of age. Increases the maximum income limitation under the exemption. Requires the county clerk to abate the taxes levied by a school district on each par-

cel of qualified homestead property that is owned by a taxpayer who is 65 years of age or older and who had an annual household income of \$35,000 or less for the previous taxable year. Subject to appropriation, requires the State Board of Education to reimburse school districts for any revenue lost due to the property tax abatement.

HB5104—Creates the standard homestead exemption in an amount equal to \$150,000 and repeals Sections concerning various other homestead exemptions. In the Illinois Income Tax Act, increases the rate of tax on individuals and on trusts and estates from 3% to 5.7% and requires that the additional revenue generated from the increased rate must be deposited into the Homestead Property Tax Replacement Fund.

HB5517—Creates a homestead improvement exemption for the installation and maintenance of a residential fire safety sprinkler system.

HB5563—Provides that a county may adopt an ordinance to provide that, once an applicant qualifies for the Senior Citizens Assessment Freeze Homestead Exemption, he or she must reapply for the exemption every 3 years rather than on an annual basis.

SB2072—*Includes disabled persons within the provisions granting an assessment freeze homestead exemption to senior citizens. (Sponsored by Sen. John Millner)*

SB2731—Creates a homestead exemption for homestead property that is the subject of a charitable transfer from Habitat for Humanity to a partner family.

These eleven bills are some of the exemption-related legislation recently introduced into the Illinois General Assembly.

2007 Board of Review Progress

The Kane County Board of Review is conducting hearings on 1,593 complaints for the 2007 assessment year. Since 2007 is a *general assessment year* when all properties in the county are assessed, an increase in complaints was expected. In past general assessment years, complaints increased by as much as 122%. Also, the 2007 year marks the first time that taxpayers could download forms from the County Assessment Office web site; in prior years, a property owner needed to call the Assessment Office and request that an appeal form be mailed out. Additionally, more data than ever is available on Township Assessor websites (available in 13 of Kane County's 16 townships), making appeals easier than ever.

The total rate of appeals per 1,000 parcels in 2007 is a 91% increase from the 2006 year. However, due to the hard work of each of the 16 township assessors and the staff of the County Assessment Office, the Board of Review is scheduled to complete its work several days earlier than it did last year.

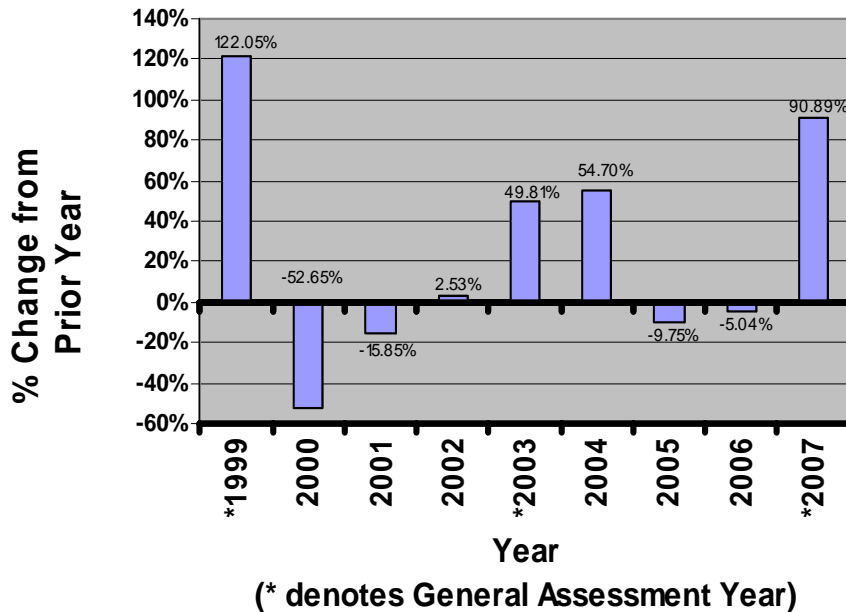
By law, the final filing date for complaints is September 10 of the assessment year or 30 days after the assessment roll is published in a local newspaper, whichever is later. The last dates for filing particular townships was January 22, when complaints were due from Geneva and Aurora Townships.

Eleven of the 16 townships in Kane County saw increases over the prior year in the number of parcels appealed. The largest percentage increase was in Burlington Township, where the number of parcels appealed increased from two to 13, which is 550%; however, nine of the 13 parcels were appeals on single subdivision by a single appellant, so the increase is not as large as it might seem.

Five of the sixteen townships saw decreases over the prior year in the number of parcels appealed: Hampshire, Plato, Virgil, Kaneville, and Big Rock. Virgil and Kaneville Townships had no assessment complaints in 2007.

Eleven of the 16 townships saw increases in parcels appealed; five saw decreases.

Kane County Assessment Appeals (rate per 1,000 parcels)



2007 Year-End Production Report

During the month of December 2007, the County Assessment Office processed more than 6,300 documents, bringing the year-to-date total to nearly 100,000.

Additionally, the County Assessment staff processed assessment complaints for the Board of Review. Also, web site visits and page views (which began to be tracked in September) remained strong as taxpayers continued to use the site for Board of Review appeals.

The County Assessment Office processed more than 6,300 documents in December 2007.

Documents Processed	December 2006	2006 Year-To-Date	December 2007	2007 Year-To-Date
Deeds	1,518	22,561	1,354	18,762
Transfer Declarations	774	14,831	782	11,444
Name/Address Changes	3,748	39,193	1,893	34,239
Homestead Exemption Applications	444	8,537	189	7,084
Homestead Removals	6	389	57	675
Senior/Freeze Exemption Applications	99	2,244	172	2,088
Senior/Freeze Renewals	477	21,503	1,572	20,631
Assessment Corrections	446	1,791	294	1,828
Certificates of Error	0	4,513	0	2,428
Subdivisions	22	253	14	194
Total Documents Processed	7,534	115,815	6,327	99,373
Revenue/Sale of Data	\$1,475	\$75,088	\$6,162	\$97,606
Web Site Visits*	N/A	N/A	3,323	13,304
Web Page Views*	N/A	N/A	5,856	21,411
Property Tax Appeal Board Filings	1	76	7	208
Tax Parcels				
Parcels Added	0	6,392	714	7,247
Parcels Deleted	0	1,056	75	1,446
Net Parcel Change	0	5,336	639	5,801
County Total Parcel Count		189,953		195,640

*statistics begin in September 2007

2008 Year-To-Date Production Report

During the month of January 2008, the County Assessment Office processed more than 4,000 documents to begin the year. The County Assessment staff also completed the processing of assessment complaints for the Board of Review, and served as clerks for the Board's hearings.

January 2008 also saw new records in web page traffic. There were more than 4,500 unique visits to the County Assessment Office web site, with more than 7,800 individual page views. The number of page views beat the previous record (set in the prior month) by 34%!

The web site had 7,835 individual page views, beating the previous record by 34%.

Documents Processed	January 2007	January 2008
Deeds	2,058	0
Transfer Declarations	1,326	586
Name/Address Changes	3,389	2,028
Homestead Exemption Applications	543	196
Homestead Removals	24	26
Senior/Freeze Exemption Applications	163	268
Senior/Freeze Renewals	215	456
Assessment Corrections	213	711
Certificates of Error	0	0
Subdivisions	14	11
Total Documents Processed	7,945	4,282
Revenue/Sale of Data	\$7,672	\$103
Web Site Visits*		4,521
Web Page Views*		7,835
Property Tax Appeal Board Filings	28	1
Tax Parcels		
Parcels Added	1,054	425
Parcels Deleted	141	88
Net Parcel Change	913	337
County Total Parcel Count	190,752	195,977

*statistics begin in September 2007