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THE COOK COUNTY PROPERTY ASSESSMENT PROCESS

*A Primer on Assessment, Classification,
Equalization and Property Tax Exemptions*

April 5, 2010

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The Civic Federation is an independent, non-partisan government research organization working to maximize the quality and cost-effectiveness of government services in the Chicago region and State of Illinois.

ACKNOWLEDGEMENTS

The Civic Federation would like to thank the following individuals at the Cook County Assessor's Office for providing data and answering our questions about property assessment:

Mike Stone, Chief Deputy Assessor, John Horbas, Director of Research, and Sherri Farris,
Senior Policy Analyst.

We are deeply grateful for the substantial legal contributions of Mark Davis, O'Keefe, Lyons & Hynes, LLC; and for review by Whitney Carlisle, McCracken, Walsh & de laVan, and Timothy Moran, Schmidt, Salzman and Moran, Ltd.

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EXECUTIVE SUMMARY

The purpose of this report is to describe how the taxable value of real estate is established in Cook County, Illinois. The report divides the process into two major parts: the determination of assessed value and the calculation of taxable value.

Assessed Value Highlights:

- **Assessment Districts:** Cook County is divided into three districts for the purpose of property assessment, each of which is assessed every three years. Approximately 47% of the county's 1.8 million parcels are located within the boundaries of the City of Chicago, 24% of parcels are in the North triad assessment district and 29% are in the South triad assessment district. Approximately 47% of the assessed value of Cook County property is in the City of Chicago, 33% of value is in the North triad and 20% is in the South triad.
- **Assessment Methods:** The primary assessment method used by the Cook County Assessor for the county's 1.5 million residential (Class 2) parcels is a comparison to sale prices of other residential properties using a computer-assisted technique that accounts for factors such as location, square footage, and construction type. An evaluation of income or construction cost is sometimes used for other types of property.
- **Classification:** Cook County is the only county in Illinois that sets different assessment levels for different types of property. Beginning with assessment year 2009 (for taxes payable 2010), the assessment level for most residential, vacant, and business incentive properties will be 10% of full market value, while the level for not-for-profit, commercial, and industrial properties will be 25% of full market value.
- **Assessed Value:** The total assessed value of property in Cook County grew 79.6% between 1999 and 2008, from \$40.3 billion to \$72.5 billion.

Taxable Value Highlights:

- **Equalization:** Equalization is the application of a factor, or multiplier, to all assessed values such that the total equalized assessed value of the county equals 33 1/3% of the fair market value. The final 2008 equalization factor for Cook County was 2.9786. Median levels of assessment calculated by the Illinois Department of Revenue in order to compute the equalization factor fell from 29.5% in 1994 to a low of 15.7% in 2006 for Class 5a commercial properties, and from 33.5% in 1994 to a low of 18.0% in 2007 for Class 5b industrial properties.
- **Homestead Exemptions:** Illinois statute currently authorizes ten homestead exemptions available to different types of homeowners. The total value of homestead exemptions in Cook County has grown substantially in recent years. In 1999, homestead exemptions removed 5.0% of gross equalized assessed value (EAV) in Cook County from the final taxable value. In 2008, homestead exemptions exempted 12.6% of gross EAV from taxation. This increase in the value of homestead exemptions is due primarily to dramatic growth in the Senior Citizens Assessment Freeze Exemption and expansion of the General Homestead Exemption through the introduction of the Alternative General Homestead Exemption. The Senior Citizens Assessment Freeze Exemption had the highest rate of growth, increasing by 979.6%, or \$4.7 billion of EAV between 1999 and 2008.
- **Total Taxable Value:** Total taxable value of real estate in Cook County increased 104.3% between 1999 and 2008, rising from \$85.4 billion to \$188.8 billion.
- **Estimated Full Value:** The full market value of taxable real estate in Cook County is estimated at \$656.5 billion in 2007, the latest year for which data is available from the Illinois Department of Revenue.

OVERVIEW

The purpose of this report is to describe how the taxable value of real estate is established in Cook County, Illinois. The report divides the process into two major parts: the determination of assessed value and the calculation of taxable value.

In this report, “assessment” refers to the determination of value for the purpose of taxation. Assessed value is not the final value used to calculate property tax liability in the State of Illinois. After the assessed value has been established by the Cook County Assessor and finalized by the Board of Review,¹ two more steps must occur in order to determine the taxable value of a parcel: equalization and application of any exemptions.

The first part of this report describes the property assessment process, including Cook County assessment districts, assessment methods, the classification system, and the finalization of assessed value. The second part of the report describes the calculation of taxable value, including equalization and exemptions. It also includes data on the estimated full value of real estate in Cook County.

PROPERTY ASSESSMENT

The following sections describe the process of determining the assessed value of real estate in Cook County for the purpose of property taxation.

Cook County Assessment Districts

Cook County is divided into three districts for the purpose of property assessment. Each district is reassessed every three years. All other counties in Illinois must reassess property every four years.²

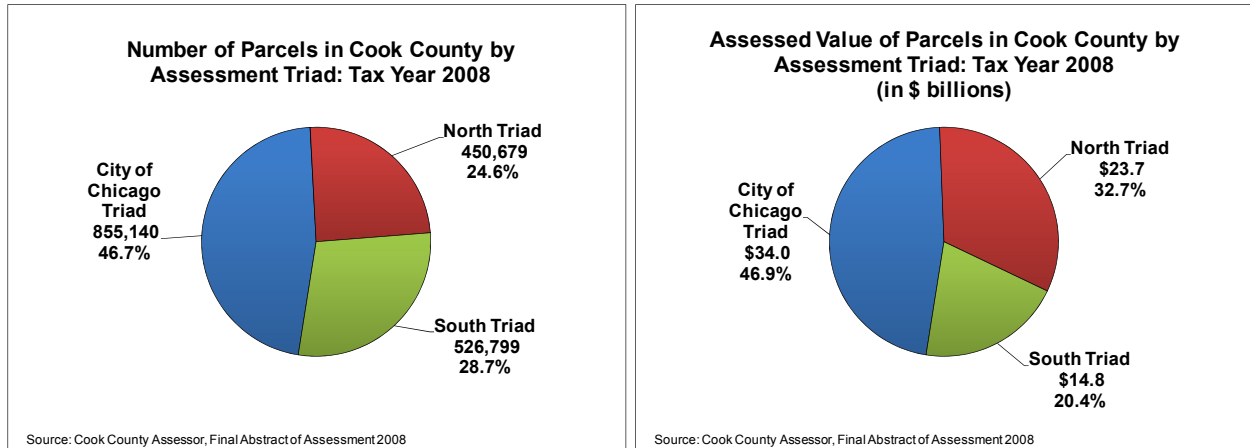
Properties in the City of Chicago were reassessed in 2009. Properties in the north and northwestern suburbs will be reassessed in 2010, and properties in the south and southwestern suburbs will be reassessed in 2011. North Avenue serves as the dividing line between the North and South suburban triads, such that all Cook County properties outside the City of Chicago and north of North Avenue are in the North triad, and all other suburban Cook County properties are in the South triad.³

¹ There are some property types that are assessed by the Illinois Department of Revenue rather than the Assessor, as described beginning on page 5 of this report.

² Counties are permitted to subdivide into four assessment districts, one of which is reassessed each year on a rotation. 35 ILCS 200/9-215 and 9-225. All farmland must be reassessed every year. 35 ILCS 200/10-115

³ 35 ILCS 200/9-220

Approximately 47% of the county's 1.8 million parcels are located within the boundaries of the City of Chicago, 24% of parcels are in the North triad assessment district and 29% are in the South triad assessment district.⁴ Approximately 47% of the assessed value of Cook County property is in the City of Chicago, 33% of value is in the North triad and 20% is in the South triad, as illustrated below.



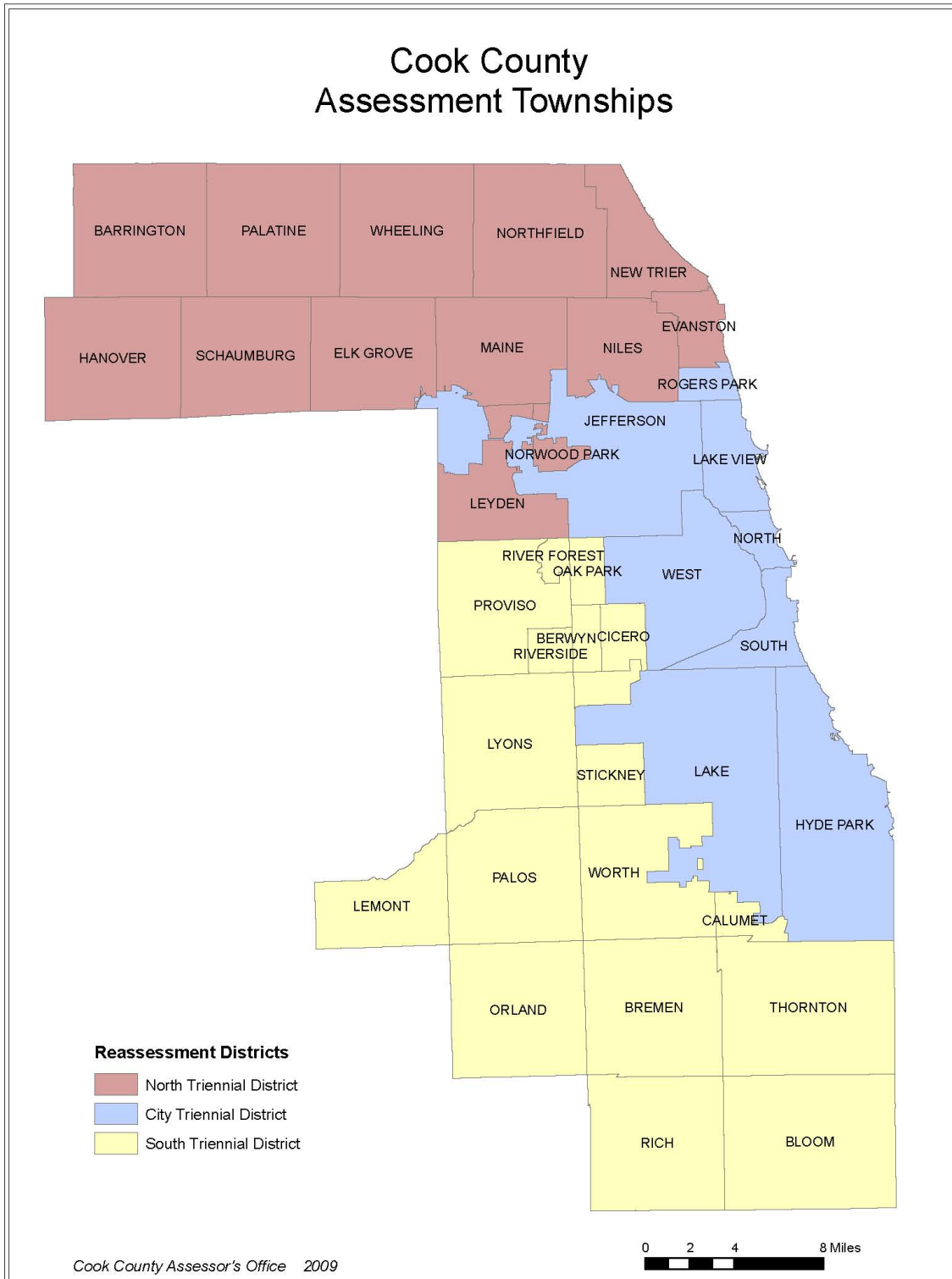
Each triad is subdivided into townships for the purpose of assessment. The townships are listed below and illustrated in the map on the following page. There are a total of 38 assessment townships in Cook County: 13 in the North, 17 in the South, and 8 in the City.⁵

Cook County Townships by Triad Assessment District			
Triad	North	South	Chicago
Reassessment Years	2001, 2004, 2007, 2010	2002, 2005, 2008, 2011	2003, 2006, 2009, 2012
Townships	Barrington Elk Grove Evanston Hanover Leyden Maine New Trier Niles Northfield Norwood Park Palatine Schaumburg Wheeling	Berwyn Bloom Bremen Calumet Cicero Lemont Lyons Oak Park Orland Palos Proviso Rich River Forest Riverside Stickney Thornton Worth	Hyde Park Jefferson Lake Lake View North Rogers Park South West

⁴ Cook County Assessor, Final Abstract of Assessment 2008.

⁵ Assessment districts, townships, and triennial reassessment years are codified in Cook County Code of Ordinances Chapter 74 Article II Sections 74-31 and 74-32.

Cook County Assessment Townships



All assessment is performed by the Cook County Assessor's Office, with the exception of the following types of properties which are assessed by the Illinois Department of Revenue: pollution control facilities, low sulfur dioxide coal fueled devices, railroad operating property,

and regional water treatment facilities.⁶ The Department determines the assessed value of these properties and notifies the Cook County Clerk, who includes them in the tax base.

In most Illinois counties, elected township or multi-township assessors are responsible for township-level assessments, which are then submitted to a chief county assessment officer, an appointed supervisor of assessments.⁷ In Cook County, however, the elected Cook County Assessor is responsible for all assessments except those performed by the Illinois Department of Revenue as described above.⁸ A state statute enacted in 1898 created a five-member Board of Assessors to assess all property in Cook County, and additional legislation in 1932 delegated assessment responsibility to a single elected assessor.⁹ The legislation provided for the retention of elected township assessors in suburban Cook County as deputy county assessors under the supervision of the county assessor,¹⁰ and their function is primarily to assist taxpayers in interpreting and appealing their assessments. Townships within the City of Chicago are simply geographical boundaries for the purpose of assessment and have no further function.

Assessment Methods

Illinois state statute requires assessment officials to determine the “fair cash value” of each parcel. This is defined as “the amount for which a property can be sold in the due course of business and trade, not under duress, between a willing buyer and a willing seller.”¹¹ It is important to note that this “fair cash” or “market” value is not necessarily the actual sales price of a given property, but rather an estimation of what it would sell for on a given valuation date (January 1 in Cook County). There are states such as California that set the assessed value of a parcel at its actual sales price and then apply an annual factor to adjust the assessed value over time. In states such as Illinois that use the market value basis for assessment, adjusting the assessment of an individual parcel based on its sales price (“sales chasing”) is prohibited when other properties are not valued the same way.¹²

In Illinois and most other states, the “fair cash value” is also expected to represent the “unencumbered fee simple interest” in the property, meaning the sum total of all ownership rights to the property regardless of other parties’ less-than-ownership interests such as leaseholds. For example, if a property is subject to a long-term, below-market rate lease, the

⁶ 35 ILCS 200/11-5 through 11-170.

⁷ Illinois Department of Revenue, “The Illinois Property Tax System” (PTAX-1004) November 2002, p. 10.

⁸ St. Clair County also has an elected countywide Assessor. *Ibid.*

⁹ Cook County Assessor’s Website, “History of Cook County Assessor’s Office.”

<http://www.cookcountyassessor.com/info/history.asp>; “New Conference of Study Choice of Tax Official,” *Chicago Daily Tribune*, January 27, 1932.

¹⁰ Percy Wood, “Senate Passes Assessing Bill; House Friendly,” *Chicago Daily Tribune*, January 7, 1932; Cook County Assessor’s Website, “Township Assessor.”

<http://www.cookcountyassessor.com/data/twnships/assessors01.asp>

¹¹ 35 ILCS 200/1-50; see, also, Cook County Real Property Assessment Classification Ordinance, Cook County Code of Ordinances § 74-62(b) (“market value” defined in terms of a “fair voluntary sale”).

¹² *Walsh v. Property Tax Appeal Board*, 181 Ill. 2d 228 (1998). In the *Walsh* case, the Illinois Supreme Court ruled that the uniformity clause of the Illinois Constitution was violated when some properties in Tazewell County were assessed based on their recent sales prices while other properties were assessed using the mass appraisal method.

diminution of value to the actual owner caused by the lease should be ignored in the assessment process.¹³

A limited exception to the rule that the unencumbered fee simple interest in real estate is the object of assessment and taxation, as well as an exception to the rule that less-than-fee interests are not separately taxed, is found in the assessment of leaseholds in certain otherwise exempt lands. Normally, the leasing of an otherwise exempt property for commercial or other non-exempt purposes will simply defeat the exempt status, and the fee interest in the property will become subject to assessment and tax in the normal manner. However, in some cases, such as property owned by the State of Illinois, or municipalities within their corporate boundaries, the exemption of the underlying fee is absolute and cannot be affected by a lease.¹⁴ In such cases, the leasehold interest itself becomes subject to assessment and is taxable to the lessee.¹⁵ Probably the largest concentrations of taxable leaseholds occur in the major metropolitan airports, which are municipally owned and lease space to airlines, fixed base operators, and various concessionaires.

The valuation of such taxable leasehold interests is a somewhat complex subject, largely beyond the scope of this primer. Generally speaking, the object is to estimate the full “market value” of the leasehold interest over the remaining life of the lease. This often differs from the valuation that would be ascribed to the lessee’s interest for other legal purposes, such as condemnation, and in the case of long-term leases it may closely approximate the value of the entire fee simple interest.¹⁶

Market value is conceptual and can be represented but not directly observed.¹⁷ Sales prices of similar properties provide an objective basis for estimating a parcel’s market value, and the sales comparison approach to valuation is effective when there are sufficient sales to provide a reliable basis for comparison.¹⁸ Data on the characteristics of parcels, actual prices of parcels that sold, and other factors affecting sale prices are entered into computer models that can estimate market values of all parcels. The Cook County Assessor uses such a computer-assisted technique and three to five years of sales data to value residential properties.¹⁹ There were more than 1.5 million residential properties in Cook County in tax year 2008.²⁰

¹³ See *Springfield Marine Bank v. Property Tax Appeal Board*, 44 Ill.2d 428, 256 N.E.2d 334, 336 (1970)

¹⁴ See 35 ILCS 200/15-55 (state property), and 15-60(c) (municipal property).

¹⁵ 35 ILCS 200/9-195.

¹⁶ The modern theory of leasehold valuation for assessment purposes in Illinois is derived from the decision in *People ex rel. Korzen v. American Airlines*, 39 Ill.2d 11, 233 N.E.2d 568 (1967), and its progeny. Essentially, the “American Airlines” methodology requires an estimate of the entire rental value of the leasehold (land and improvements) in the marketplace to be discounted to a lump sum present value over the remaining term of the lease. This estimated “market rent” may differ substantially from rent being paid under the actual lease contract.

¹⁷ International Association of Assessing Officers, *Standard on Ratio Studies*, (Kansas City, 2007), 7.

¹⁸ International Association of Assessing Officers, *Standard on Mass Appraisal of Real Property*, (Kansas City, 2002 revised 2008), 8.

¹⁹ <http://www.cookcountyassessor.com/propertyvaluation.aspx>

²⁰ Cook County Assessor, Final Abstract of 2008 Assessment. In this report “residential” means Class 2 properties, which include single family homes, condominiums, cooperatives, and apartment buildings of up to six units. Larger apartment buildings (Class 3) are not included.

According to the International Association of Assessing Officials, the sales comparison approach is the most useful mass appraisal approach for valuing single-family residences and condominiums.²¹ Another approach that is useful for revenue-producing properties such as commercial, industrial, or multifamily residences is the income approach. The income approach considers data on rental income and expenses, rate of return on investment, vacancy rates, and other factors unique to income-producing properties.²² The Cook County Assessor's Office uses the income approach for commercial and industrial properties, but also takes sales data into account. The Assessor notes that values derived from the income approach are often lower than recorded sales prices because sales prices reflect expectations of higher future income and are not adjusted for non-realty components of a sale.²³ Therefore, the Assessor's Office adjusts sales prices for these factors, then compares the adjusted sales prices to the income market estimates and reconciles them to produce a property value estimate.²⁴

Finally, the cost approach to valuation estimates the construction cost of a building minus its depreciation, and is best suited to newer structures using standard materials and labor.²⁵ The Cook County Assessor uses the cost approach for unique manufacturing properties that may not have reliable income or comparable sales data.²⁶

Although the income and cost approaches to valuation are useful for certain types of property, Illinois case law expresses a preference for the sales comparison approach when evidence of such sales is available. The courts have overturned assessments in some notable cases due to the failure of assessing officials or valuation experts to use the sales approach because they believed that other approaches were superior.²⁷

²¹ International Association of Assessing Officers, *Standard on Mass Appraisal of Real Property*, (Kansas City, 2002 revised 2008), 9.

²² International Association of Assessing Officers, *Standard on Mass Appraisal of Real Property*, (Kansas City, 2002 revised 2008), 9.

²³ <http://www.cookcountyassessor.com/propertyvaluation.aspx>

²⁴ <http://www.cookcountyassessor.com/propertyvaluation.aspx>

²⁵ International Association of Assessing Officers, *Standard on Mass Appraisal of Real Property*, (Kansas City, 2002 revised 2008), 8.

²⁶ <http://www.cookcountyassessor.com/propertyvaluation.aspx>

²⁷ See for example *Cook County Board of Review v. Property Tax Appeal Board*, 384 Ill.App.3d 472, 894 N.E.2d 400 (1st Dist. 2008) and *Chrysler Corporation v. Property Tax Appeal Board*, 69 Ill.App.3d 207, 387 N.E.2d 351 (2nd Dist. 1979)

The following table ranks the most useful valuation approaches for different types of property, according to the International Association of Assessing Officers (“1” being most useful).

Rank of Typical Usefulness of the Three Approaches to Value in the Mass Appraisal of Major Types of Property			
Type of Property	Sales Comparison Approach	Income Approach	Cost Approach
Single-Family Residential	1	3	2
Multi-family Residential	1,2	1,2	3
Commercial	2	1	3
Industrial	3	1,2	1,2
Non-Agricultural Land	1	2	--
Agricultural*	2	1	--
Special-Purpose**	2,3	2,3	1

*Includes farm, ranch, and forest properties.

**Includes institutional, governmental, resort, and recreation properties.

Source: International Association of Assessing Officers, Standard on Mass Appraisal of Real Property, (Kansas City, 2002 revised 2008), 9.

Farm home sites are valued as residential properties and are subject to equalization as described on page 13. However, there are special rules for valuing farmland in Cook County. The Illinois Constitution states that farmland cannot be assessed at a higher level of assessment than a single family home.²⁸ State statute specifies that in Cook County the equalized assessed value per acre of farmland must be the lesser of two values: 1) the value at the residential assessment level based on a full market value if the farm were to be sold in a fair, voluntary sale for continued use as a farm; or 2) 90% of the 1983 average equalized assessed value per acre certified by the Illinois Department of Revenue.²⁹ The value of farmland is not subject to equalization.³⁰ Farmland represented only 0.07% of parcels and 0.01% of assessed value in Cook County for 2008.³¹

Classification

Illinois state statute requires that all real property be valued for the purpose of property taxation at 33 1/3% of its fair cash value in every county except Cook.³² Cook County is the only county in the State of Illinois that sets different property tax assessment levels for different types of property. This differential assessment is called **classification** and is expressly permitted for counties with a population greater than 200,000 by the Illinois Constitution Article IX Section 4. The counties of Cook, DuPage, Kane, Lake, McHenry, Madison, St. Clair, Will, and Winnebago all currently meet this population threshold but only Cook County has chosen to adopt classification.³³ The state constitution also requires that the level of assessment or rate of tax for

²⁸ Illinois Constitution Article IX Section 4.

²⁹ 35 ILCS 200/10-130

³⁰ 35 ILCS 200/10-135

³¹ Cook County Assessor, Final Abstract of 2008 Assessment

³² Illinois Property Tax Code, 35 ILCS 200/9-145.

³³ Population data is the U.S. Census Bureau estimate as of July 1, 2008. See <http://www.census.gov/popest/counties/>.

the highest class of property be no more than 2.5 times the level of assessment or rate of tax for the lowest class of property.³⁴

The authorization for classification in the 1970 Illinois Constitution first had the effect of ratifying the existing *de facto* system of classification maintained by the Cook County Assessor, which continued unchanged for another four years.³⁵ Effective January 1, 1974, the General Assembly provided that future classifications had to be enacted by the County Board in order to be valid and Cook County passed its first classification ordinance to comply with this law.³⁶ That ordinance established the following classes and assessment levels (i.e., percentages of the full value of the property):

Cook County Property Classification System: 1974		
Class	Description	Assessment Level
Class 1	Vacant or Farm Land	22%
Class 2	Residential (single family 6 units or less)	22%
	Apartment (7 units or more)	
Class 3	Not-for-Profit	30%
Class 4	All Other (Commercial, Industrial)	40%

The theoretical justification for use-based classification of property is usually stated in terms of the incidence of the resulting tax burden, with the owners of higher-assessment-level properties being assumed to have the ability to shift the incidence of the tax burden to others. Examples of such parties are commercial space users who pass the tax on to consumers; manufacturers who include taxes as a cost of production; and multi-unit apartment owners who recover the tax cost from their tenants. By contrast, the homeowner absorbs the whole tax cost alone and cannot pass it on to someone else.

However, the primary justification for classification operative at the time of the 1970 Illinois Constitutional Convention was arguably the preservation of the *de facto* classification system that had evolved in Cook County over many years dating back to at least the 1920s.³⁷ The uniformity provisions of the Illinois Constitutions of 1848 and 1870 had been widely interpreted as prohibiting any form of classified property tax.³⁸ The likelihood that Cook County's *de facto* classification system would be subject to increasing attack in the courts, and the specter that it might be struck down, fueled much debate at the 1969-1970 Constitutional Convention.³⁹ The

³⁴ Illinois Constitution 1970, Article IX, Section 4(b).

³⁵ *People ex rel. Kutner v. Cullerton*, 58 Ill.2d 270-72, 319 N.E.2d 55, 57-59 (1974).

³⁶ P.A. 78-700, eff. Jan. 1, 1974, now codified at 35 ILCS 200/9-150.

³⁷ See Aldrich v. Harding, 340 Ill.354, 358, 172 N.E. 772, 774 (1930), cited in Richard Watling, "Taxation of Real Property in Cook County—*The Railroad Cases and the Future of De Facto Classification*," John Marshall Journal of Practice and Procedure 6 (1968), 212, 213 n. 6.

³⁸ George D. Braden and Rubin G. Cohn, *The Illinois Constitution, An Annotated and Comparative Analysis* (Champaign, IL: 1969), 415-416.

³⁹ Joyce D. Fishbane and Glenn W. Fisher, *Politics of the Purse: Revenue and Finance in the Sixth Illinois Constitutional Convention* (Champaign, IL: 1974), 70-74; and 7 *Record of Proceedings, Sixth Illinois Constitutional Convention*, (1969-1970), 2108-2128.

convention delegates generally understood that no new constitution would have passed in 1970 if it did not “in some way, maybe with some restrictions, make legal the *de facto* classification in Cook County.”⁴⁰

There are also “incentive” classes, which provide reduced assessment levels for certain periods of time to encourage specific use or redevelopment. For incentive classifications, the justification is cast in terms of the social utility of the goal for which the incentive is granted: e.g., industrial or commercial development of an economically depressed area; or the availability of housing for economically disadvantaged citizens.

The ultimate goal of classification, which is to produce different effective tax rates for different types or uses of property, could also be achieved by assigning different tax rates rather than different assessment classes. The Illinois Constitution of 1970 expressly permits classification by rate or by class.⁴¹ However, Cook County elected to legalize assessment classification rather than tax rate classification.

The Cook County Board has changed levels of assessment many times since 1974 and has added additional classes of property. In every case, the change has been a reduction in the level of assessment. The most recent major change to the classification ordinance was made in September 2008 when the Board voted to reduce assessment levels for most classes to either 10% or 25%, effective for tax year 2009.⁴² This change was arguably another attempt to bring the law into alignment with the reality of *de facto* classification levels.

⁴⁰ 3 *Record of Proceedings, Sixth Illinois Constitutional Convention, (1969-1970)*, 1898; and *Hoffman v. Clark*, 69 Ill.2d 402, 413-14, 372 N.E.2d 74 (1977).

⁴¹ 1970 Illinois Constitution, Article IX Section 4: “The level of assessment or rate of tax of the highest class in a county shall not exceed two and one-half times the level of assessment or rate of tax of the lowest class in that county.”

⁴² Cook County ordinance 08-O-51.

Cook County Property Classification System Changes Per 10 & 25 Ordinance 08-O-51 passed September 2008			
Class	Description	New Assessment Level	Previous Assessment Level
Class 1	Vacant or Farm Land	10%	22%
Class 2	Residential (single family 6 units or fewer)		16%
Class 3	Apartments (7 units or more)	16% in 2009, 13% in 2010, 10% in 2011 and subsequent	24% in 2006, 22% in 2007, 20% in 2008 and subsequent
Class 4	Not-for-Profit	25%	30%
Class 5a	Commercial		38%
Class 5b	Industrial		36%
Incentive Classes (in effect for limited durations)			
Class 6b	Industrial Development or Redevelopment	10% for first ten years and any subsequent renewal periods; if not renewed, 15% in year 11 and 20% in year 12	16% for first ten years and any subsequent renewal periods; if not renewed, 23% in year 11 and 30% in year 12
Class C	Brownfields Clean Up and Revelopment	10% for first ten years, 15% in year 11, 20% in year 12	16% for first ten years, 23% in year 11, 30% in year 12
Class 7a	Commercial Development or Redevelopment With Costs Under \$2 Million		
Class 7b	Commercial Development or Redevelopment With Costs Over \$2 Million		
Class 8	Commercial and Industrial Development in Areas of Severe Economic Stagnation	10% for first ten years and any subsequent renewal periods; if not renewed, 15% in year 11 and 20% in year 12	16% for first ten years and any subsequent renewal periods; if not renewed, 23% in year 11 and 30% in year 12
Class 9	Low-Income Multifamily Apartments (7 units or more)	10% for first ten years; renewable upon application for additional ten-year periods	16% for first ten years; renewable upon application for additional ten-year periods
Class S	Section 8 Multifamily Apartments (7 units or more)	10% for the term of the Section 8 contract renewal and for any additional terms of renewal	16% for the term of the Section 8 contract renewal under the mark up to market option and for any additional terms of renewal
Class L	Landmark Preservation: Commercial, Industrial, Non-Profit, and Apartment	renewable properties: 10% for first ten years and subsequent ten-year renewal periods; if not renewed, 15% in year 11 and 20% in year 12; commercial properties: 10% for first ten years, 15% in year 11 and 20% in year 12	renewable properties: 16% for first ten years and subsequent ten-year renewal periods; if not renewed, 23% in year 11 and 30% in year 12; commercial properties: 16% for first ten years, 23% in year 11 and 30% in year 12

Note: Class descriptions are summaries. For complete descriptions see Cook County Code of Ordinances Chapter 74 Article II Section 74-63.

Assessed Value

Once the Cook County Assessor has estimated the full market value of a property, the class-specific percentage “level of assessment” is applied to that value to produce the **assessed value (AV)**. This system whereby assessed value is a percentage of the full market value estimated by the assessor is sometimes called “fractional assessment”.⁴³

When the Cook County Assessor’s initial work is completed for a particular township, notices of assessed value are mailed to the owners of property in that township. Notices are mailed throughout the year, typically from March through December as township assessments are

⁴³ John L. Mikesell, *Fiscal Administration: Analysis and Applications for the Public Sector* (Belmont, CA: Wadsworth/Thompson, 2003), 411-417.

completed.⁴⁴ The notices advise owners that they may file a complaint within 30 days at the Assessor’s Office to obtain an internal review of the proposed assessment. The taxpayer may also appeal the valuation to the Cook County Board of Review, a body charged with the power to review assessments prior to the determination of final taxable value.⁴⁵

The Board of Review typically completes its review process in June and submits its final valuations to the Illinois Department of Revenue for equalization, which is discussed in the section below. This is roughly 18 months after the January 1 valuation date of the property.

The following table shows the ten-year change in assessed values for the City of Chicago, suburban Cook County, and all of Cook County. The City experienced the greatest increase in assessed values, rising 99.0% from \$17.1 billion in 1999 to \$34.0 billion in 2008. Total Cook County assessed value reached \$72.5 billion in 2008.⁴⁶

Cook County Assessed Values 1999-2008				
	1999	2008	\$ Change	% Change
City of Chicago	\$ 17,084,235,762	\$ 33,995,117,837	\$16,910,882,075	99.0%
Suburban Cook County	\$ 23,257,055,928	\$ 38,471,480,450	\$15,214,424,522	65.4%
Total Cook County	\$ 40,341,291,690	\$ 72,466,598,287	\$32,125,306,597	79.6%

Source: Cook County Assessor's Office, Final Assessment Abstracts

CALCULATION OF TAXABLE VALUE

After the assessed value of all properties has been established by the Assessor and finalized by the Board of Review, two more steps must occur in order to determine the taxable value of a parcel: equalization and application of any exemptions.

Equalization

Inter-county equalization (sometimes referred to as “state equalization”) is the application of a factor, or multiplier, to all assessed values such that the aggregate total equalized assessed value of the county equals 33 1/3% of fair market value. All counties, including Cook, are required to undergo equalization to ensure that the total value is 33 1/3%. Counties other than Cook also perform intra-county equalization in order to ensure that townships assessed by different assessing officials are equalized.⁴⁷

Equalization is necessary for the fair implementation of certain state statutes. Assessed valuation of property is a component in formulas for various education, transportation, and public assistance grants to local jurisdictions so it is important that assessed values be made equivalent statewide. State statutes that limit property tax rates and bonded indebtedness of local

⁴⁴ See <http://www.cookcountyassessor.com/appdeadlines/appealdeadlinesform.aspx> for dates of notice mailings in recent years.

⁴⁵ For more detail on the appeals process see Civic Federation, “Cook County Property Tax Appeals: A Primer on the Appeals Process with Comparative Data for 2000-2008,” November 17, 2009. <http://www.civicfed.org/civic-federation/publications/cook-county-property-tax-appeals-primer-appeals-process-comparative-da>

⁴⁶ See Appendix C for detailed trend data on Cook County assessed values by class.

⁴⁷ 35 ILCS 200/9-210.

governments are also related to assessed value, which must be equalized in order for the statutes to apply equivalently across the state.

The State of Illinois Department of Revenue is responsible for calculating an equalization factor for each county.⁴⁸ This calculation is made annually using a multi-year comparison of property assessments and sales prices in each county called the **assessment/sales ratio study**. The Department of Revenue uses sales data recorded on Real Estate Transfer Declarations, excluding sales that are not “arms-length” transactions or are otherwise unrepresentative of market values.⁴⁹ A sample of these sales is compared to the assessed values of the same parcels for the year prior to the sale. Statistics including median ratio, coefficient of dispersion, and confidence level are calculated and published in the Department’s annual assessment ratio tables.⁵⁰ For Cook County, the Department calculates these statistics by township for property classes 1, 2, 3, 5a, and 5b when there are at least 25 valid sales in the class.

The Department of Revenue’s assessment/sales ratio studies have long indicated that various classes of property are valued for assessment purposes at less than the ordinance level percentages of their fair market value in Cook County. For example, the Department’s studies show that the median assessment for Cook County residential properties is closer to 10% of full market value than to the 16% ordinance level (see graph on page 15). Many Cook County homeowners have noticed this for tax years prior to 2009, when their tax bills showed a fair market value that is significantly less than what they know their home is worth. The systematic and historic undervaluing of Cook County property has been widely recognized for many years and was part of the impetus for Assessor Houlihan’s recent proposal to recalibrate the Cook County ordinance levels down to 10% for residential and 25% for most other classes of property (see table on page 12).

The findings of the Department of Revenue’s assessment/sales ratio studies for properties other than Class 2 residential parcels are more controversial.⁵¹ Controversy arises due to the relatively small volume of sales for other classes of property because the smaller the sample size, the lesser the statistical reliability.⁵² The uniqueness of some commercial and industrial properties also makes sales of them difficult to compare to sales of other properties. The Cook County Assessor has urged the Department of Revenue to use appraisals to supplement the paucity of sales data for such properties, and to edit sales data to account for sales of personal property and intangible assets that are often included in the sales price of commercial real estate.⁵³ The International Association of Assessing Officers also recognizes the use of appraisal ratios as a technique to improve sample representativeness where there are few available sales, but it notes that in many

⁴⁸ 35 ILCS 200/17.

⁴⁹ Illinois Department of Revenue, “PTAX 1007: Findings of the 1998 Assessment/Sales Ratio Study,” January 2003, 7.

⁵⁰ See <http://tax.illinois.gov/AboutIdor/TaxStats/index.htm> for statistics and <http://tax.illinois.gov/LocalGovernment/table1-2-3statistics.pdf> for an explanation of the statistics.

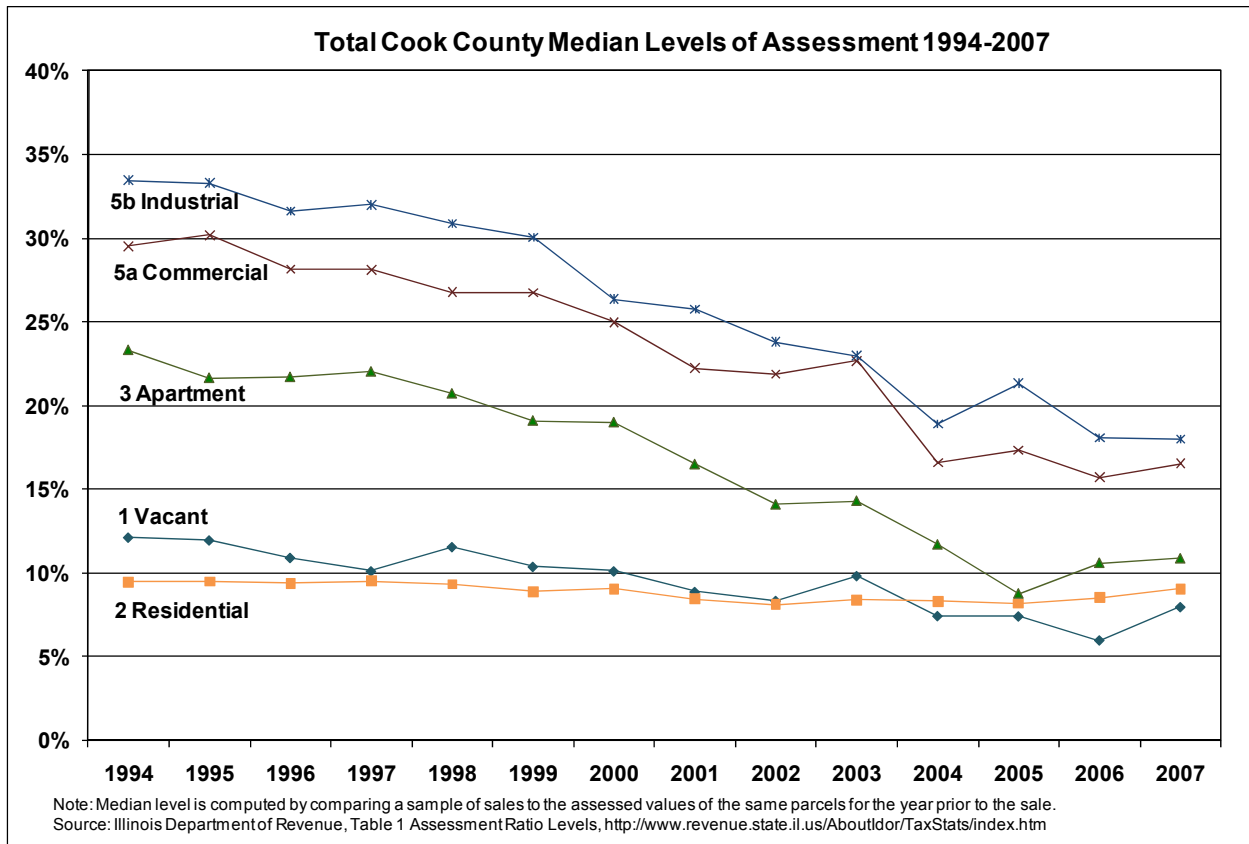
⁵¹ For more detail on this issue see Theodore M. Swain et al., “The Report of The Civic Federation Task Force on Cook County Classification and Equalization” (Chicago: The Civic Federation, 1999), 8-10.

⁵² International Association of Assessing Officers, *Standard on Ratio Studies*, (Kansas City, 2007), 15.

⁵³ Statement of James M. Houlihan, Cook County Assessor, Illinois Department of Revenue Hearing: 2008 State Equalization Factor for Cook County, July 30, 2009.

respects sales ratios are superior to appraisals in terms of lower cost and greater objectivity, and that appraisals, if possible, should be checked for accuracy against sales.⁵⁴

The following graph shows the Cook County median levels of assessment as computed in the Department of Revenue's assessment/sales ratio studies from 1994 to 2007, the most recent data available. Class 2 residential levels fell from roughly 9.5% to 8.5% over this period, reaching 9.0% again in 2007. Class 5a commercial fell from 29.5% to a low of 15.7% in 2006. Class 5b industrial fell from 33.5% to 17.9%.⁵⁵



⁵⁴ *Standard on Ratio Studies*, §§ 3.2.3.1, 8.2 (IAAO 2007).

⁵⁵ See Appendix D for more data on assessment/sales ratios by triad.

After conducting an assessment/sales ratio study for Cook County, the Department then calculates the **weighted median ratio**, which is the countywide ratio of assessed value to full market value estimated using the median ratios weighted by class. Each weighted median ratio is also adjusted for any major assessment changes made by the Assessor or the Board of Review since the original data was collected. The county equalization factor uses the average (mean) of the adjusted weighted medians of the three years immediately preceding the assessment year and divides it into 33.33% in order to determine the factor needed to bring the countywide three-year average ratio to 33.33%.⁵⁶ For example, the assessment year 2008 final equalization factor was calculated by averaging the weighted median levels of assessment for 2005, 2006, and 2007, each adjusted to account for subsequent assessment changes. The three-year average was then divided into 33.33% to yield an equalization factor of 2.9786 for tax year 2008, as shown below.

Cook County 2008 Final Equalization Factor Calculation				
	2005	2006	2007	3-Year Average
Countywide Weighted Median Level of Assessment	11.92%	10.82%	10.82%	11.19%
Statutory Level (33.33%) ÷ Prior 3-Year Average Median Level (11.19%) = 2.9786				

Source: Illinois Department of Revenue 2008 final Cook County equalization factor press release
<http://www.revenue.state.il.us/AboutIdor/PressReleases/PR-08-24-2009.pdf>

The state equalization factor for most counties is close to 1.0 because counties other than Cook do not classify property and they conduct intra-county equalization prior to state equalization. The equalization factor for Cook County is significantly greater than one and continues to rise as aggregate assessment levels fall farther below 33.33%.

⁵⁶ <http://tax.illinois.gov/LocalGovernment/table1-2-3statistics.pdf>

Before publishing a final equalization factor each year, the Department of Revenue calculates a tentative equalization factor and holds a public hearing on the tentative factor.⁵⁷ This tentative factor is computed before the Board of Review releases its final assessments for a given assessment year. For assessment year 2008, the Department released a tentative equalization factor of 2.9058 on July 14, 2009. The final factor of 2.9786 was published on August 24, 2009. The difference between the tentative and final factors is due to assessment reductions made by the Board of Review.⁵⁸ The following table shows the difference between the tentative and final equalization factors from 1974 to 2008.

Cook County Tentative and Final Equalization Factors: 1974-2008			
Tax Year	Tentative	Final	Difference
1974	1.4453	1.4453	0.0000
1975	1.4271	1.4483	0.0212
1976	1.3824	1.4153	0.0329
1977	1.4028	1.4153	0.0125
1978	1.4807	1.4966	0.0159
1979	1.5917	1.6016	0.0099
1980	1.7296	1.7432	0.0136
1981	1.8364	1.8548	0.0184
1982	1.9288	1.9288	0.0000
1983	1.9122	1.9122	0.0000
1984	1.8445	1.8445	0.0000
1985	1.8085	1.8085	0.0000
1986	1.8293	1.8486	0.0193
1987	1.8809	1.8916	0.0107
1988	1.9266	1.9266	0.0000
1989	1.9133	1.9133	0.0000
1990	1.9946	1.9946	0.0000
1991	2.0348	2.0523	0.0175
1992	2.0897	2.0897	0.0000
1993	2.1407	2.1407	0.0000
1994	2.1135	2.1135	0.0000
1995	2.1243	2.1243	0.0000
1996	2.1517	2.1517	0.0000
1997	2.1489	2.1489	0.0000
1998	2.1799	2.1799	0.0000
1999	2.2505	2.2505	0.0000
2000	2.1813	2.2235	0.0422
2001	2.2612	2.3098	0.0486
2002	2.4364	2.4689	0.0325
2003	2.3858	2.4598	0.0740
2004	2.5023	2.5757	0.0734
2005	2.6771	2.732	0.0549
2006	2.6244	2.7076	0.0832
2007	2.7500	2.8439	0.0939
2008	2.9058	2.9786	0.0728

Source: Illinois Department of Revenue

⁵⁷ 35 ILCS 200/17-20

⁵⁸ Illinois Department of Revenue 2008 final Cook County equalization factor press release, <http://www.revenue.state.il.us/AboutIdor/PressReleases/PR-08-24-2009.pdf>

Once the Department of Revenue has certified the final Cook County equalization factor, the Cook County Clerk applies the factor to the final assessed values determined by the Assessor and modified by the Board of Review. The new value is called the **equalized assessed value (EAV)**. This value is the final taxable value of the property unless exemptions are applied, as discussed in the next section. For example, a Cook County home with a tax year 2008 assessed value of \$32,000 would have an equalized assessed value of \$95,315 ($\$32,000 \times 2.9786$ equalization factor) before any exemptions were applied.

The equalization factor is not applied to farmland, coal production property, or wind energy property.⁵⁹

Property Tax Exemptions

The Illinois Constitution specifically permits the General Assembly to grant homestead exemptions and to completely exempt certain types of property from property taxation.⁶⁰

Homestead Exemptions

Illinois statute currently authorizes ten homestead exemptions available to different types of homeowners. There is a general homestead exemption for all homeowners, as well as special exemptions targeted at senior citizens, disabled persons, and veterans. Eight of the exemptions exempt a portion of EAV from taxation, one exempts a portion of AV (Disabled Veterans' Exemption), and one exempts a portion of cash (market) value (Homestead Improvements Exemption). All homestead exemptions are designed to reduce the taxable value of homeowners' property.

Homestead exemptions are permitted only for a primary residence inhabited by the owner (not a second home). Application for the exemptions must be made to the county assessor, with the exception of the Disabled Veterans' Exemption which is determined by the Illinois Department of Veterans' Affairs.

⁵⁹ 35 ILCS 200/10-135, 10-200, and 10-615.

⁶⁰ Illinois Constitution 1970, Article IX, Section 6.

Four of the ten exemptions exempt a flat amount of EAV, and the General Homestead Exemption effectively exempts a flat amount of EAV because virtually all applicants are eligible for the maximum amount. The other five exemptions exempt varying amounts of EAV, AV, or cash value. Four of the ten homestead exemptions were enacted in 2007 and all of the other exemptions have been modified over the years. The table below lists the exemptions, some of which are described in greater detail following the table.⁶¹

Homestead Exemptions in Illinois Statutes				
Statute	Name	Eligibility	Tax Year 2008 Amount	Year Created
35 ILCS 20/15-165	Disabled Veterans' Exemption	For disabled veteran homeowners and their spouses	Property up to an assessed value of \$70,000 is exempted from taxation	1970
35 ILCS 200/15-167	Returning Veterans' Homestead Exemption	For veteran homeowners upon the year of their return from an armed conflict	\$5,000 of EAV	2007
35 ILCS 200/15-168	Disabled Persons' Homestead Exemption	For disabled homeowners unable to engage in substantial gainful activity by reason of physical or mental impairment	\$2,000 of EAV	2007
35 ILCS 200/15-169	Disabled Veterans' Standard Homestead Exemption	For disabled veteran homeowners and their spouses	\$2,500 of EAV for 50% to 75% disability, \$5,000 of EAV for at least 75% disability	2007
35 ILCS 200/15-170	Senior Citizens Homestead Exemption	For homeowners at least 65 years old	\$4,000 of EAV	1970
35 ILCS 200/15-172	Senior Citizens Assessment Freeze Homestead Exemption	For homeowners at least 65 years old and with household income under \$55,000 (in tax year 2008 and after), freezes EAV at time of first application	Varies, equal to difference between current EAV and base year EAV at time of first application	1994
35 ILCS 200/15-175	General Homestead Exemption	For all homeowners outside Cook County on their primary residence	Difference between 1977 EAV and current EAV up to a maximum of \$5,500 of EAV for tax year 2008, and \$6,000 of EAV for tax year 2009 and after	1978
35 ILCS 200/15-176	Alternative General Homestead Exemption	For all Cook County homeowners on their primary residence	Varies, equal to difference between base year EAV at time of first application and 7% per year growth in EAV. Depends on assessment triad. 2008 maximum is \$26,000 for North Triad, \$33,000 of EAV for South Triad, \$20,000 for City Triad and minimum \$5,500 of EAV for all Triads.	2004
35 ILCS 200/15-177	Long-time Occupant Homestead Exemption	For Cook County homeowners on their primary residence. Must have total household income of \$100,000 or less and have lived in the home for 10 consecutive years, or 5 years if received government assistance to acquire the property	Varies, equal to difference between base year EAV at time of first application and 7% per year growth in EAV if income is \$75,000 or less; 10% per year EAV increase limit if income is from \$75,001 to \$100,000.	2007
35 ILCS 200/15-180	Homestead Improvements	For all homeowners on their primary residence	Up to \$75,000 fair cash value of improvements made to homestead property for up to four years	1975

Prior to the creation of the Alternative General Homestead Exemption (commonly called the “7% cap”) in 2004, all homeowners across the state were eligible for the General Homestead Exemption. Cook County had also used the statutory authority granted by 35 ILCS 250/1-99 to create an additional exemption called the Homeowner Exemption for Long-term Properties (HELP) in 2001.⁶² The stated purpose of this exemption was “to stabilize the effects of soaring

⁶¹ See also Appendix E for a more detailed table of these exemptions.

⁶² Cook County Code of Ordinances Chapter 74 Article II Division 1 Sec. 74-36

property taxes for longtime homeowners who otherwise may be displaced from neighborhoods where gentrification is occurring.”⁶³ The HELP exemption was for homeowners whose household incomes did not exceed 115% of the area median, who had lived in their homes for 10 years (or five years if they received certain government assistance to acquire the property), whose homes were valued at no more than \$300,000 in market value and whose assessed value increase exceeded 150% of the average increase in that assessment district. It provided an EAV exemption that limited a homeowner’s EAV increase to the prior year EAV multiplied by 150% of the average assessment increase, with no dollar amount maximum.

HELP first took effect in the City Triad in tax year 2000 and for the North and South triads in their subsequent reassessment years (2001 and 2002, respectively). It was only in effect for three years in each triad, however, because Public Act 93-715 amended 35 ILCS 250/20 to limit the maximum HELP exemption to \$20,000 of EAV. This change made the Alternative General Homestead Exemption the operative homeowner exemption for HELP recipients. In 2002, the only year when HELP was in effect for all three triads, 1.0% or 14,357 of the county’s 1.4 million Class 2 parcels received the exemption.⁶⁴

All counties were permitted by statute to adopt the Alternative General Homestead Exemption but only Cook County chose to do so.⁶⁵ The Alternative General Homestead Exemption created a range of EAV from \$4,500 to \$20,000 that could be exempted from taxation and was to expire after three years. The exemption was implemented during the reassessment year of each triad, such that it took effect for the City Triad in 2003, the North Triad in 2004, and the South Triad in 2005. It was created in reaction to a rapid increase in housing prices that occurred beginning in 2000 and was intended to prevent increases in taxable value greater than 7% each year, up to a maximum exemption of \$20,000 in EAV.

⁶³ Cook County Code of Ordinances Chapter 74 Article II Division 1 Sec. 74-36(c).

⁶⁴ Data provided by the Cook County Assessor’s Office, February 26, 2007.

⁶⁵ The enabling ordinance adopted by the Cook County Board of Commissioners is called the Neighborhood Preservation Homeowner Exemption, Cook County Code of Ordinances Chapter 74 Article II Division 1 Sec. 74-43.

A 2007 amendment to the Alternative General Homestead Exemption extended it for an additional three years and increased the exemption maximums over the previous \$20,000 maximum. As shown in the table below, the increase was introduced in the reassessment year of each triad. The maximum exemption increased from \$20,000 to \$40,000 of EAV in the City Triad for 2006 if the property's 2006 EAV exceeded the 2002 EAV by 100% or more; the maximum was \$35,000 if the 2006 EAV exceeded the 2002 EAV by 80% or more, and was \$33,000 for all other eligible properties. The other triads had a maximum exemption of \$33,000 in their reassessment year. The revised Alternative General Homestead Exemption was designed to phase down the maximum exemption from \$33,000 to \$26,000 to \$20,000 to \$6,000 over four years. It also increased the minimum exemption from \$5,000 to \$6,000 of EAV (\$6,000 will be both the minimum and maximum for the City in 2009).

Alternative General Homeowner Exemption Minimum and Maximum Amounts: Tax Years 2006-2011												
Triad	2006		2007		2008		2009		2010		2011	
	Min.	Max.*	Min.	Max.**	Min.	Max.**	Min.	Max.**	Min.	Max.**	Min.	Max.**
City*	\$ 5,000	\$ 40,000	\$ 5,000	\$ 26,000	\$ 5,500	\$ 20,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
North	\$ 5,000	\$ 20,000	\$ 5,000	\$ 33,000	\$ 5,500	\$ 26,000	\$ 6,000	\$ 20,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
South	\$ 5,000	\$ 20,000	\$ 5,000	\$ 20,000	\$ 5,500	\$ 33,000	\$ 6,000	\$ 26,000	\$ 6,000	\$ 20,000	\$ 6,000	\$ 6,000

*In the City 2006, the maximum exemption is \$40,000 if the 2006 EAV exceeds the 2002 EAV by 100% or more; the maximum exemption is \$35,000 if the 2006 EAV exceeds the 2002 EAV by 80% or more; the maximum exemption for all other properties is \$33,000.

**Beginning with the implementation of the Long-time Occupant Homestead Exemption in 2007, there is no maximum exemption for taxpayers who have owned the home for ten years (or five if purchased with certain government assistance), and have a household income of \$100,000 or less--the EAV of these homes may increase no more than 10% per year. Likewise, there is no maximum exemption for taxpayers who have owned the home for ten years (or five if purchased with certain government assistance), and have a household income of \$75,000 or less--the EAV of these homes may increase no more than 7% per year.

The Long-time Occupant Homeowner Exemption was created at the same time as the extension of the Alternative General Homestead Exemption. It effectively removes the dollar amount maximum exemption of the Alternative General Homestead exemption for homeowners who have lived in their homes for ten years (or five years if purchased with certain government assistance) and have household income under specified levels. For household income of \$75,000 or less, the EAV of the home may increase by no more than 7% each year with no dollar amount maximum. For household income of \$75,001 to \$100,000 the EAV of the home may increase by no more than 10% each year with no maximum.

The Cook County Assessor computes the value of homestead exemptions and conveys it to the Cook County Clerk, who publishes it in an “Agency Exemption Detail Report” for each taxing agency.⁶⁶ For tax year 2008 (the latest available data), the gross Cook County EAV before exemptions was \$215.9 billion and the value of homestead exemptions was \$27.1 billion, creating a net taxable EAV of \$188.8 billion.⁶⁷ The general homeowner exemptions (Alternative General Homestead Exemption and Long-time Occupant Homestead Exemption) represent the vast majority of the value of exemptions, totaling \$20.8 billion or 76.8% of total homestead exemption value in 2008. The next largest exemption value is the Senior Citizens’ Assessment Freeze Exemption, at \$5.2 billion in EAV and 19.2% of total exemption value.

Cook County Equalized Assessed Value of Homestead Exemptions, Tax Year 2008				
Exemption	City of Chicago	Suburban Cook County	Total Cook County	% of Total Cook County
Homeowner Exemptions (Alternative General and Long-time Occupant)	\$ 7,401,079,882	\$ 13,422,348,427	\$ 20,823,428,309	76.8%
Senior Citizens Assessment Freeze Exemption	\$ 2,375,424,596	\$ 2,823,920,420	\$ 5,199,345,016	19.2%
Senior Citizens Homestead Exemption	\$ 398,715,932	\$ 688,359,787	\$ 1,087,075,719	4.0%
Disabled Persons' Homestead Exemption	\$ 3,370,000	\$ 7,380,356	\$ 10,750,356	0.0%
Disabled Veterans' Exemption*	\$ 355,052	\$ 2,163,661	\$ 2,518,713	0.0%
Disabled Veterans' Standard Homestead Exemption	\$ 940,889	\$ 2,333,793	\$ 3,274,682	0.0%
Returning Veterans' Exemption	\$ 120,000	\$ 122,500	\$ 242,500	0.0%
TOTAL	\$ 10,180,006,351	\$ 16,946,628,944	\$ 27,126,635,295	100.0%

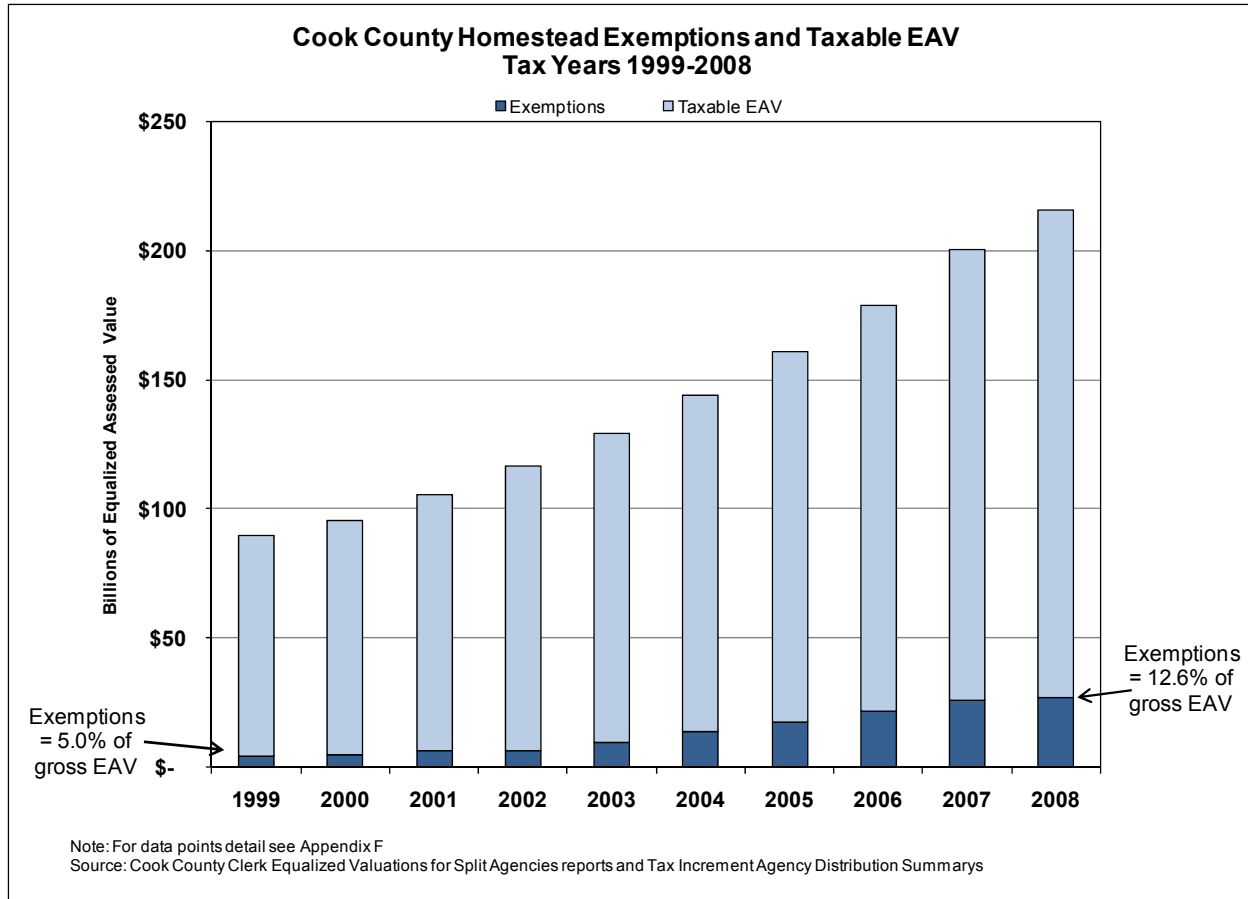
*This exemption is determined by the Illinois Department of Veterans' Affairs and certified to the county assessor. Application for all other exemptions is made to the county assessor and the amounts are certified to the county clerk. The Homestead Improvements exemption is done by the assessor prior to equalization and is not included here.

Source: Cook County Clerk Tax Year 2008 Agency Exemption Detail Report

⁶⁶ See <http://tax.cookctyclerk.com/> “Taxing Agency Reports”. Before tax year 2007 exemption amounts were reported in “Equalized Valuations for Split Agencies” reports.

⁶⁷ The net taxable EAV includes both EAV that is available for taxation by units of local government that levy property taxes and EAV that is designated for Tax Increment Financing districts. TIF EAV is explained in the Civic Federation’s *Tax Increment Financing Issue Brief* (<http://www.civicfed.org/civic-federation/publications/tax-increment-financing-tif-civic-federation-issue-brief>) and in a forthcoming Civic Federation issue brief on the property tax extension process.

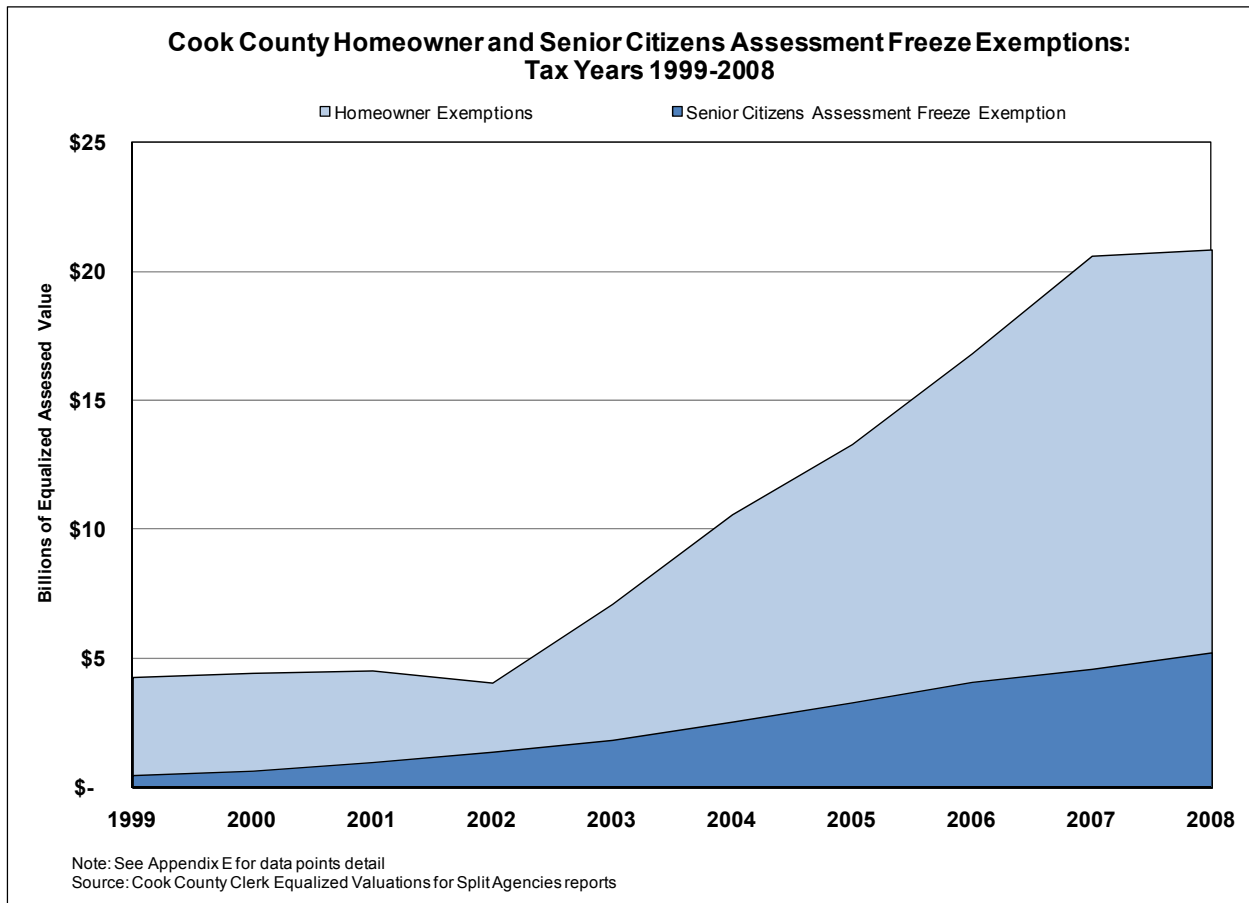
The total value of homestead exemptions in Cook County has grown substantially in recent years. The following graph shows that in 1999, homestead exemptions represented 5.0% of gross EAV in Cook County. In other words, they removed 5.0% of total EAV from the net taxable EAV. In 2008, homestead exemptions exempted 12.6% of gross EAV from taxation.



This increase in the value of homestead exemptions is due primarily to dramatic growth in the Senior Citizens Assessment Freeze Exemption and expansion of the General Homestead Exemption through the introduction of the Alternative General Homestead Exemption.

The Senior Citizens Assessment Freeze Exemption “freezes” an eligible homeowner’s EAV at the level of the year prior to a homeowner’s first application. In other words, it exempts all EAV increases over the base amount. The household income eligibility limit was increased from \$35,000 to \$40,000 for 1999-2003, from \$40,000 to \$45,000 for 2004-2005, to \$50,000 for 2006-2007 and to \$55,000 for tax year 2008. There is no exemption maximum or property value maximum. Between 1999 and 2008 the Senior Citizens Assessment Freeze Homestead Exemption value in Cook County increased by 979.6%, or \$4.7 billion of EAV, from \$481.6 million to \$5.2 billion. The Senior Citizens’ Homestead Exemption has also existed for many years but the total value of the exemption grew by only 69.2%, or \$444.7 million from \$642.4 million to \$1.1 billion between 1999 and 2008. The flat dollar amount of the exemption was increased from \$2,500 to \$3,000 for 2004-2005, to \$3,500 for 2006-2007, and to \$4,000 for tax year 2008.

The “Homeowner Exemptions” category shown in the graph below includes the General Homestead Exemption for 1998-2002, the Alternative General Homestead Exemption for 2003-2007, the Homeowner Exemption for Long-term Properties for 2000-2004, the Long-time Occupant Homestead Exemption for 2007-2008, and the Disabled Veterans' Exemption (1999-2008).⁶⁸ The total value of these general homeowner exemptions in their various forms over the years grew by \$16.5 billion of EAV, or 386.5% between 1999 and 2008, from \$4.3 billion to \$20.8 billion. Until tax year 2003, homeowner exemptions in Cook County consisted of the General Homestead Exemption (a flat \$4,500 of EAV) and the Homeowner Exemption for Long-Term Properties, which did not have a maximum EAV amount but represented less than 0.1% of total homeowner exemption value. In 2003, the Alternative General Homestead Exemption took effect in Cook County, allowing a \$4,500 minimum and \$20,000 maximum homeowner exemption.⁶⁹ The minimum was increased to \$5,000 for 2004 and 2005. In 2006, the Alternative General Homestead Exemption maximum was increased to \$40,000 for the City Triad (see page 20 for detail on this exemption). The Long-time Occupant Homestead Exemption was added in 2007 with no maximum exemption (see page 21 for description).



⁶⁸ The Disabled Veteran's Exemption is included because it could not be extracted from other homeowner exemption data prior to 2007.

⁶⁹ In state statute it is called the Alternative General Homestead Exemption (35 ILCS 200/15-176) but the corresponding Cook County ordinance is called the Neighborhood Preservation Homeowner Exemption (Cook County Code of Ordinances Chapter 74 Article II Division 1 Sec. 74-43).

By removing some EAV from taxation, exemptions make tax rates higher than they would be otherwise. The composite tax rate for a typical Chicago property in tax year 2008 (payable in the fall of 2009) was 4.816%, but if all the exempt EAV had been taxable that year the tax rate would have been 4.265% or 11.4% lower.⁷⁰

Charitable, Religious, Educational & Governmental Exemptions

Article IX Section 6 of the Illinois Constitution authorizes the General Assembly to exempt from taxation the following types of property: property of the State or local governments, property used for agricultural and horticultural societies, and property used for school, religious, cemetery, and charitable purposes.

State statutes currently exempt the following types and uses of property from taxation:

- public schools and non-profit private schools and research institutions;
- properties used for religious purposes, orphanages, or non-profit religious schools;
- cemeteries;
- United States federal government properties;
- State of Illinois government properties;
- local government properties including fire protection properties, public libraries, public transportation systems, housing authorities, park and conservation districts, municipal utilities, public water and drainage districts, and airport and port authorities;
- properties used for charitable purposes, including non-profit hospitals, nursing homes and health maintenance organizations;
- historical, agricultural, and horticultural societies;
- military schools and property of veterans' organizations; and
- parking areas related to any of the above uses.⁷¹

Applications for charitable, religious, educational, and governmental exemptions are filed with the Cook County Board of Review, which must provide the Assessor's Office with a copy of the application.⁷² These exemptions may remove the entire value of a property from taxation, or only a designated part of it, insofar as the property (or part) meets the statutory and constitutional criteria. The Board of Review makes an initial determination about granting the exemption, but its decision is not final.⁷³ Only the Illinois Department of Revenue can make a final determination on granting or denying the exemption in the first instance, which determination is then subject to review in the courts.⁷⁴ Owners of most types of exempt properties must submit an annual affidavit stating whether or not there have been any changes to the ownership or use of the property.⁷⁵

⁷⁰ "Exempt EAV" here refers to homestead exemptions, not charitable, religious, and governmental property exemptions described in the next section.

⁷¹ 35 ILCS 200/15-35 to 15-60.

⁷² 35 ILCS 200/15-5 et seq.

⁷³ 35 ILCS 200/16-130

⁷⁴ 35 ILCS 200/16-130. For detail on appealing these exemptions see the Civic Federation's *Cook County Property Tax Appeals: A Primer with Comparative Data for 2000-2008*, November 17, 2009, available at http://civicfed.org/sites/default/files/091117_CookCountyAppealsReport.pdf

⁷⁵ 35 ILCS 200/15-10.

The number of exempt parcels in Cook County increased by 16.8% between tax years 1999 and 2008, from 79,260 to 92,548.⁷⁶ The total number of parcels for all classes in Cook County increased 13.1% during the same time period, and exempt parcels remained steady at approximately 5% of the total.

The value of exempt parcels is unknown because they are not assessed. There is one recent example of an attempt to quantify the value of these property exemptions. At the request of the Cook County Board of Commissioners, the Cook County Assessor estimated the full market value of 54 tax-exempt hospitals in the county at \$4.3 to \$4.5 billion as of January 2006. This represented approximately 0.72% to 0.75% of full market value countywide.⁷⁷

There is also a statute that permits but does not require taxing districts and owners of exempt properties to enter into agreements whereby the owners make payments in lieu of taxes to compensate the districts for the cost of services provided by the districts.⁷⁸

Other Property Tax Assistance Measures

State statutes make three additional property tax relief measures available to individuals: the Senior Citizens Real Estate Tax Deferral, the Circuit Breaker, and the 5% income tax credit, all described below.

The **Senior Citizens Real Estate Tax Deferral Act** first took effect in 1983 and allows persons over 65 years of age or older with household incomes of \$50,000 or less to defer payment of all or part of their property taxes.⁷⁹ The State of Illinois will pay the property taxes owed by the applicant and place a lien on the property equal to the deferred tax payment plus six percent annual interest. The maximum amount of property tax that can be deferred is 80% of the taxpayer's equity in the property. The full amount must be repaid to the State within one year of the applicant's death or 90 days of the transfer of the property. Application is made to the Cook County Treasurer.

The Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act—commonly known as the “**Circuit Breaker**”—provides property tax or rent assistance to persons with disabilities and persons 65 years of age or older with a household income under \$22,218 for a single person (\$36,740 for a household with three or more persons).⁸⁰ This program is provided through grants by the State of Illinois Department of Aging. Grant amounts range from \$5 to \$700 per a sliding scale based on income and tax or rent paid.⁸¹ In FY2008 the

⁷⁶ Cook County Assessor, Final Abstracts of Assessment 1999-2008. See Appendix A.

⁷⁷ Cook County Assessor's Office, “Exempt Hospitals: Valuation Estimates and Appraisal Methodology,” November 6, 2007. Available at <http://www.cookcountyassessor.com/LatestNews/LateNews.aspx?ID=171>

⁷⁸ 35 ILCS 200/15-30

⁷⁹ 320 ILCS 30/1 et seq.

⁸⁰ 320 ILCS 25/1.

⁸¹ Illinois Department of Aging, “How to Estimate Your Circuit Breaker Property Tax Grant,” <http://www.cbrx.il.gov/aging/lrx/cbrx/estimate-tax.pdf>

State appropriated \$52.3 million for the Circuit Breaker Program (including pharmaceutical assistance).⁸²

An **individual income tax credit equal to 5% of residential property taxes paid** was enacted by the State of Illinois beginning with property tax year 1991 (payable during income tax year 1992).⁸³ The value of this income tax credit was \$478.4 million in State fiscal year 2007, an increase of 7.8% from \$443.7 million the previous year.⁸⁴

The **City of Chicago's Homeowner Assistance Program** provides 3% simple interest loans to homeowners who need assistance paying their property taxes. Eligible properties are those whose assessed value increased more than 1.25 times the median increase in the city's most recent reassessment, or any homeowner whom the Executive Director of the Chicago Tax Assistance Center determines is in imminent danger of losing their home due to foreclosure or tax sale. The homeowner may not have household income over 80% of the Chicago area median family income and may not also be eligible for the Cook County Homeowner Exemption for Long Term Properties. The loan is for the amount of tax increase attributable to the increase in assessed value of the property. It can be no less than \$500 and no more than \$4,000.⁸⁵

As part of the City's 2010 budget, the City Council approved a temporary **Property Tax Relief Program** for qualified homeowners in the City of Chicago.⁸⁶ The program provides grants between \$25 and \$200 depending on household income (\$200,000 maximum) and the size of the assessment increase for tax year 2008, payable fall of 2009.

⁸² State of Illinois FY2010 Budget, 7-2.

⁸³ 35 ILCS 5/208.

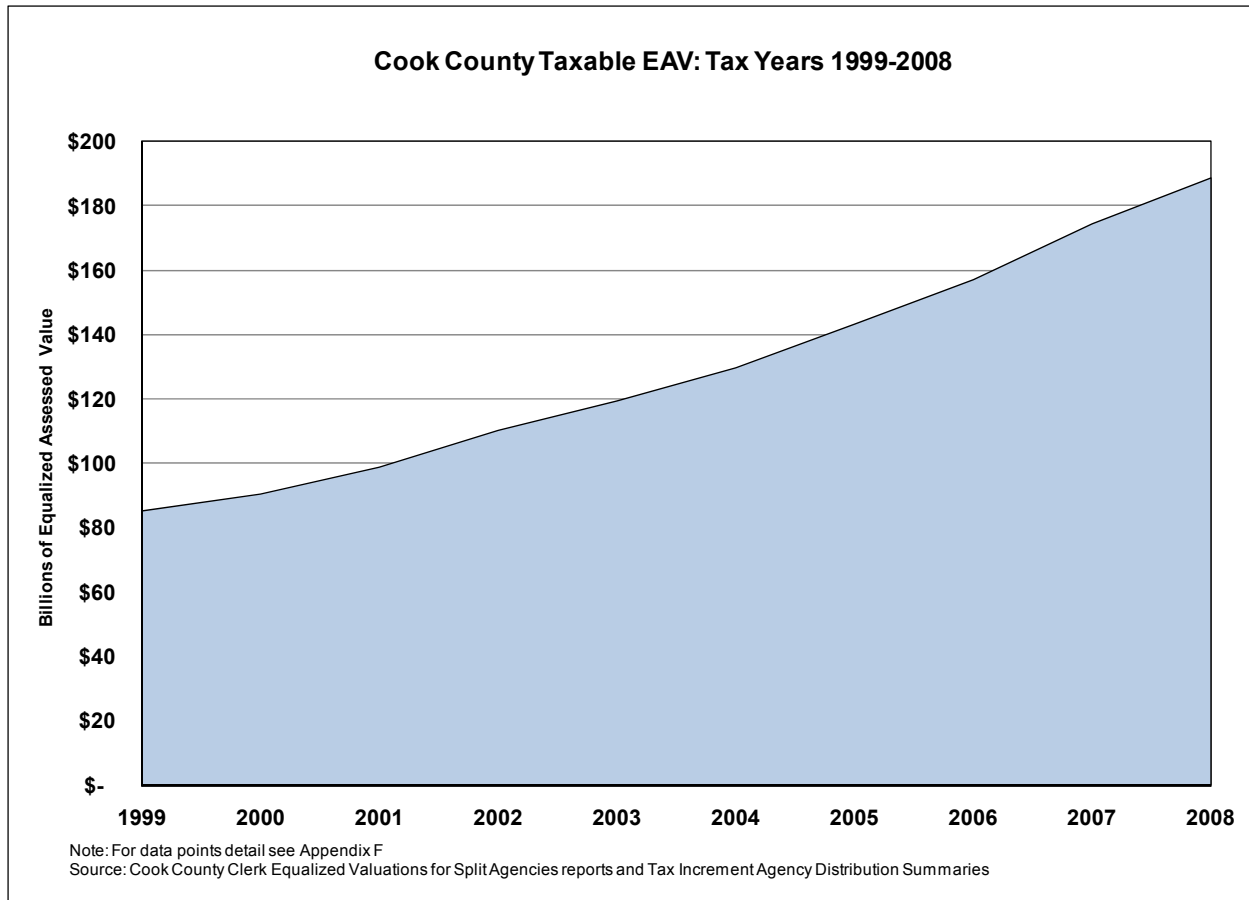
⁸⁴ Illinois Comptroller, *Illinois Fiscal Year 2007 Tax Expenditure Report*, B-1. Available at <http://www.apps.ioc.state.il.us/ioc-pdf/TaxExpRptFY2007Web.pdf>.

⁸⁵ City of Chicago Municipal Code 2-32-625.

⁸⁶ See <http://webapps.cityofchicago.org/PropertyTaxReliefWeb> and http://www.chicityclerk.com/journals/2009/Nov25th_2009/financeoptimize.pdf. Last visited January 21, 2010.

Taxable Value

The net EAV of a property, after any EAV exemptions have been subtracted, is the taxable value. The total taxable value of property in Cook County increased by \$89.1 billion between tax years 1999 and 2008, rising from \$85.4 billion to \$188.8 billion. This was an increase of 104.3% over ten years.⁸⁷



⁸⁷ The total taxable value of property in Cook County is different from the EAV available to taxing agencies such as school districts due to Tax Increment Financing districts, as explained explained in the Civic Federation's *Tax Increment Financing Issue Brief* (<http://www.civicfed.org/civic-federation/publications/tax-increment-financing-tif-civic-federation-issue-brief>) and in a forthcoming Civic Federation issue brief on the property tax extension process. The total taxable EAV figure is arrived at by summing the EAV available to Cook County as a taxing agency and the countywide TIF increment.

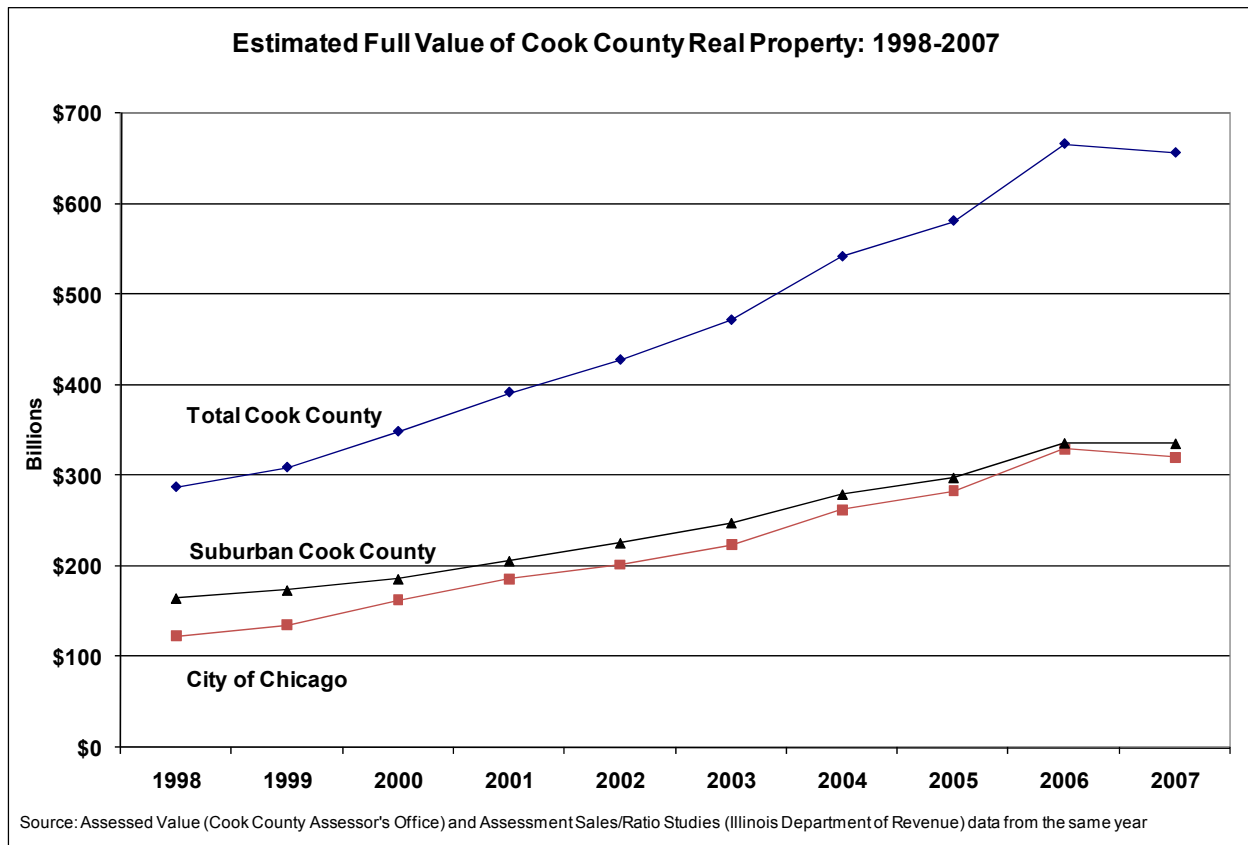
Estimated Full Value of Real Estate

The full market value of taxable real estate in Cook County can be roughly estimated by dividing the assessed value of property reported by the Cook County Assessor's Office into the median level of assessment reported by the Illinois Department of Revenue:

$$\text{Assessed Value} \div \text{Median Level of Assessment} = \text{Estimated Full Market Value}$$

For example, the 2007 final assessed value of all residential real estate in Chicago was \$18.9 billion and the adjusted median level of assessment was 8.81%, so the full market value of residential property in Chicago can be estimated at \$214.9 billion. The actual market value of real estate could only be known by conducting an appraisal or sale of every property in the county so this simple formula provides a useful, if crude, estimate.

The Civic Federation publishes an estimate of full value in Cook County every year.⁸⁸ The most recent data available is for tax year 2007, when the total value of real estate in Cook County fell for the first time since at least 1995, from \$666.2 billion in 2006 to \$656.5 billion in 2007. The graph below illustrates the ten-year trend in estimated full value.



⁸⁸ See the latest report at <http://www.civicfed.org/civic-federation/publications/estimated-full-value-cook-county-real-estate-2007-property-tax-assessm>.

APPENDIX A: NUMBER OF PARCELS BY CLASS 2000-2008

Cook County Number of Parcels By Class: Tax Years 2000-2008									
Cook County Total									
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Residential (Class 2)	1,344,442	1,364,507	1,384,815	1,406,734	1,432,085	1,459,580	1,491,332	1,525,514	1,553,604
Non-Residential (All other)	292,827	290,891	288,919	286,419	284,133	281,385	279,982	278,705	279,014
Total	1,637,269	1,655,398	1,673,734	1,693,153	1,716,218	1,740,965	1,771,314	1,804,219	1,832,618
City of Chicago Triad									
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Residential (Class 2)	564,094	577,403	590,193	605,254	621,094	638,237	660,483	685,097	706,078
Non-Residential (All other)	154,120	153,328	153,211	152,065	151,600	151,034	149,728	148,646	149,062
Total	718,214	730,731	743,404	757,319	772,694	789,271	810,211	833,743	855,140
North Triad									
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Residential (Class 2)	372,547	375,674	379,266	382,043	387,217	392,097	397,942	403,909	408,712
Non-Residential (All other)	44,898	44,618	44,166	43,849	42,620	42,632	42,202	41,969	41,967
Total	417,445	420,292	423,432	425,892	429,837	434,729	440,144	445,878	450,679
South Triad									
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Residential (Class 2)	407,801	411,430	415,356	419,437	423,774	429,246	432,907	436,508	438,814
Non-Residential (All other)	93,809	92,945	91,542	90,505	89,913	87,719	88,052	88,090	87,985
Total	501,610	504,375	506,898	509,942	513,687	516,965	520,959	524,598	526,799

Note: Does not include parcels assessed by the Department of Revenue. Non-residential includes apartment buildings with 7 or more units.

Source: Cook County Assessor's Office, Final Assessment Abstracts

Cook County Number of Parcels By Class: Tax Years 2000-2008									
Cook County Total									
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Residential (Class 2)	82.1%	82.4%	82.7%	83.1%	83.4%	83.8%	84.2%	84.6%	84.8%
Non-Residential (All other)	17.9%	17.6%	17.3%	16.9%	16.6%	16.2%	15.8%	15.4%	15.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
City of Chicago Triad									
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Residential (Class 2)	78.5%	79.0%	79.4%	79.9%	80.4%	80.9%	81.5%	82.2%	82.6%
Non-Residential (All other)	21.5%	21.0%	20.6%	20.1%	19.6%	19.1%	18.5%	17.8%	17.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
North Triad									
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Residential (Class 2)	89.2%	89.4%	89.6%	89.7%	90.1%	90.2%	90.4%	90.6%	90.7%
Non-Residential (All other)	10.8%	10.6%	10.4%	10.3%	9.9%	9.8%	9.6%	9.4%	9.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
South Triad									
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Residential (Class 2)	81.3%	81.6%	81.9%	82.3%	82.5%	83.0%	83.1%	83.2%	83.3%
Non-Residential (All other)	18.7%	18.4%	18.1%	17.7%	17.5%	17.0%	16.9%	16.8%	16.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Note: Does not include parcels assessed by the Department of Revenue. Non-residential includes apartment buildings with 7 or more units.

Source: Cook County Assessor's Office, Final Assessment Abstracts

Number of Cook County Parcels By Class: Tax Years 1999-2008												
Cook County												
		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	% Change
Class 0	Non-Assessed	79,260	80,971	83,117	86,266	88,732	90,311	91,282	91,980	91,914	92,548	16.8%
Class 1	Vacant	90,605	89,100	86,234	82,599	78,941	75,773	72,419	70,986	69,791	68,934	-23.9%
Class 2	Residential	1,313,917	1,344,442	1,364,507	1,384,815	1,406,734	1,432,085	1,459,580	1,491,332	1,525,514	1,553,604	18.2%
Class 3	Apartments	32,331	22,116	21,578	20,607	19,839	19,217	18,712	18,156	17,636	17,465	-46.0%
Class 4	Non-Profit	949	897	864	888	938	928	937	971	972	960	1.2%
Class 5(a)	Commercial	73,002	69,036	68,628	68,052	67,743	67,728	67,848	68,003	68,749	69,263	-5.1%
Class 5(b)	Industrial	27,879	27,532	27,317	27,205	26,894	26,519	26,053	25,684	25,287	25,110	-9.9%
Class 6	Industrial*	828	823	791	835	922	1,005	1,104	1,168	1,209	1,313	58.6%
Class 7	Commercial*	6	46	54	62	69	71	87	86	97	97	1516.7%
Class 8	Commercial*	47	42	45	63	105	143	206	272	355	457	872.3%
Class 9	Apartment*	406	508	552	679	778	1,029	1,179	1,338	1,448	1,535	278.1%
	Farm	1,575	1,571	1,527	1,481	1,458	1,409	1,558	1,338	1,247	1,332	-15.4%
	Railroad	187	185	184	182	0	0	0	0	0	0	-100.0%
Total		1,620,992	1,637,269	1,655,398	1,673,734	1,693,153	1,716,218	1,740,965	1,771,314	1,804,219	1,832,618	13.1%
City of Chicago												
		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	% Change
Class 0	Non-Assessed	43,284	44,353	46,012	48,501	50,484	51,507	51,794	52,187	51,932	52,167	20.5%
Class 1	Vacant	44,173	44,161	42,489	40,443	38,556	37,502	36,843	35,453	34,541	34,367	-22.2%
Class 2	Residential	542,116	564,094	577,403	590,193	605,254	621,094	638,237	660,483	685,097	706,078	30.2%
Class 3	Apartments	22,940	14,519	14,165	13,803	13,139	12,735	12,412	12,085	11,589	11,479	-50.0%
Class 4	Non-Profit	307	260	252	295	338	335	336	375	368	376	22.5%
Class 5(a)	Commercial	39,566	36,097	35,840	35,682	35,343	35,445	35,766	35,906	36,697	37,244	-5.9%
Class 5(b)	Industrial	14,292	13,918	13,719	13,560	13,299	13,034	12,721	12,433	12,156	11,974	-16.2%
Class 6	Industrial*	236	243	240	227	248	254	273	287	278	312	32.2%
Class 7	Commercial*	6	45	53	54	62	64	70	69	71	70	1066.7%
Class 8	Commercial*	7	7	7	7	7	7	7	2	0	0	-100.0%
Class 9	Apartment*	346	416	451	540	589	717	812	931	1,014	1,073	210.1%
	Farm	0	0	0	0	0	0	0	0	0	0	--
	Railroad	100	101	100	99	0	0	0	0	0	0	-100.0%
Total		707,373	718,214	730,731	743,404	757,319	772,694	789,271	810,211	833,743	855,140	20.9%
Suburban Cook County												
		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	% Change
Class 0	Non-Assessed	35,976	36,618	37,105	37,765	38,248	38,804	39,488	39,793	39,982	40,381	12.2%
Class 1	Vacant	46,432	44,939	43,745	42,156	40,385	38,271	35,576	35,533	35,250	34,567	-25.6%
Class 2	Residential	771,801	780,348	787,104	794,622	801,480	810,991	821,343	830,849	840,417	847,526	9.8%
Class 3	Apartments	9,391	7,597	7,413	6,804	6,700	6,482	6,300	6,071	6,047	5,986	-36.3%
Class 4	Non-Profit	642	637	612	593	600	593	601	596	604	584	-9.0%
Class 5(a)	Commercial	33,436	32,939	32,788	32,370	32,400	32,283	32,082	32,097	32,052	32,019	-4.2%
Class 5(b)	Industrial	13,587	13,614	13,598	13,645	13,595	13,485	13,332	13,251	13,131	13,136	-3.3%
Class 6	Industrial*	592	580	551	608	674	751	831	881	931	1,001	69.1%
Class 7	Commercial*	0	1	1	8	7	7	17	17	26	27	--
Class 8	Commercial*	40	35	38	56	98	136	199	270	355	457	1042.5%
Class 9	Apartment*	60	92	101	139	189	312	367	407	434	462	670.0%
	Farm	1,575	1,571	1,527	1,481	1,458	1,409	1,558	1,338	1,247	1,332	-15.4%
	Railroad	87	84	84	83	0	0	0	0	0	0	-100.0%
Total		913,619	919,055	924,667	930,330	935,834	943,524	951,694	961,103	970,476	977,478	7.0%

Note: Class 0 includes parcels assessed by the Department of Revenue (e.g., railroad and pollution control properties) and parcels that are exempt from assessment (e.g., charitable, religious, educational, and governmental properties). Railroad properties were moved to Class 0 in 2003. 1999-2000 drop in Class 3 is due in part to reclassification of Class 3-18 parcels to Class 2-18.

* Incentive Classes

Source: Cook County Assessor's Office, Final Assessment Abstracts

APPENDIX B: FINAL ASSESSED VALUE 2000-2008

Cook County Final Assessed Values By Class: Tax Years 2000-2008									
Cook County Total									
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Residential (Class 2)	\$ 21,722,123,814	\$ 23,478,586,633	\$ 24,848,164,396	\$ 28,470,271,147	\$ 31,601,784,043	\$ 34,129,303,022	\$ 39,491,832,739	\$ 43,354,555,882	\$ 45,036,821,173
Non-Residential (All other)	\$ 21,624,525,367	\$ 22,066,033,113	\$ 22,336,596,358	\$ 23,992,224,642	\$ 24,198,682,318	\$ 24,690,009,461	\$ 26,579,338,342	\$ 27,169,675,459	\$ 27,429,777,114
Total	\$ 43,346,649,181	\$ 45,544,619,746	\$ 47,184,760,754	\$ 52,462,495,789	\$ 55,800,466,361	\$ 58,819,312,483	\$ 66,071,171,081	\$ 70,524,231,341	\$ 72,466,598,287
City of Chicago Triad									
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Residential (Class 2)	\$ 8,758,681,649	\$ 8,973,795,507	\$ 9,221,622,066	\$ 12,677,199,294	\$ 12,988,216,247	\$ 13,420,538,211	\$ 18,521,873,454	\$ 18,937,256,455	\$ 19,339,573,551
Non-Residential (All other)	\$ 11,226,530,314	\$ 11,153,577,213	\$ 11,211,896,134	\$ 13,024,983,243	\$ 12,749,938,229	\$ 12,807,410,295	\$ 14,852,914,715	\$ 14,686,208,897	\$ 14,655,544,286
Total	\$ 19,985,211,963	\$ 20,127,372,720	\$ 20,433,518,200	\$ 25,702,182,537	\$ 25,738,154,476	\$ 26,227,948,506	\$ 33,374,788,169	\$ 33,623,465,352	\$ 33,995,117,837
North Triad									
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Residential (Class 2)	\$ 7,559,640,949	\$ 9,028,510,104	\$ 9,106,199,490	\$ 9,201,006,544	\$ 11,930,162,765	\$ 12,075,351,272	\$ 12,257,117,655	\$ 15,631,960,742	\$ 15,616,351,765
Non-Residential (All other)	\$ 6,617,551,936	\$ 7,145,402,000	\$ 7,080,531,870	\$ 6,991,102,757	\$ 7,513,759,177	\$ 7,488,988,466	\$ 7,393,779,434	\$ 8,163,917,968	\$ 8,056,705,027
Total	\$ 14,177,192,885	\$ 16,173,912,104	\$ 16,186,731,360	\$ 16,192,109,301	\$ 19,443,921,942	\$ 19,564,339,738	\$ 19,650,897,089	\$ 23,795,878,710	\$ 23,673,056,792
South Triad									
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Residential (Class 2)	\$ 5,403,801,216	\$ 5,476,281,022	\$ 6,520,342,840	\$ 6,592,065,309	\$ 6,683,405,031	\$ 8,633,413,539	\$ 8,712,841,630	\$ 8,785,338,685	\$ 10,080,895,857
Non-Residential (All other)	\$ 3,780,443,117	\$ 3,767,053,900	\$ 4,044,168,354	\$ 3,976,138,642	\$ 3,934,984,912	\$ 4,393,610,700	\$ 4,332,644,193	\$ 4,319,548,594	\$ 4,717,527,801
Total	\$ 9,184,244,333	\$ 9,243,334,922	\$ 10,564,511,194	\$ 10,568,203,951	\$ 10,618,389,943	\$ 13,027,024,239	\$ 13,045,485,823	\$ 13,104,887,279	\$ 14,798,423,658

Note: Total includes farm and railroad properties. Non-residential includes apartment buildings with 7 or more units.

Source: Cook County Assessor's Office, Final Assessment Abstracts

Cook County Final Assessed Values By Class: Tax Years 2000-2008									
Cook County Total									
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Residential (Class 2)	50.1%	51.6%	52.7%	54.3%	56.6%	58.0%	59.8%	61.5%	62.1%
Non-Residential (All other)	49.9%	48.4%	47.3%	45.7%	43.4%	42.0%	40.2%	38.5%	37.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
City of Chicago Triad									
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Residential (Class 2)	43.8%	44.6%	45.1%	49.3%	50.5%	51.2%	55.5%	56.3%	56.9%
Non-Residential (All other)	56.2%	55.4%	54.9%	50.7%	49.5%	48.8%	44.5%	43.7%	43.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
North Triad									
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Residential (Class 2)	53.3%	55.8%	56.3%	56.8%	61.4%	61.7%	62.4%	65.7%	66.0%
Non-Residential (All other)	46.7%	44.2%	43.7%	43.2%	38.6%	38.3%	37.6%	34.3%	34.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
South Triad									
	2000	2001	2002	2003	2004	2005	2006	2007	2008
Residential (Class 2)	58.8%	59.2%	61.7%	62.4%	62.9%	66.3%	66.8%	67.0%	68.1%
Non-Residential (All other)	41.2%	40.8%	38.3%	37.6%	37.1%	33.7%	33.2%	33.0%	31.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Note: Total includes farm and railroad properties. Non-residential includes apartment buildings with 7 or more units.

Source: Cook County Assessor's Office, Final Assessment Abstracts

APPENDIX C: COOK COUNTY ASSESSED VALUES BY CLASS

Cook County Assessed Values By Class: Tax Years 1999-2008												
Cook County												
Assessment Year		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	% Change
Class 1	Vacant	\$ 555,549,349	\$ 602,391,261	\$ 599,378,908	\$ 601,614,445	\$ 668,907,151	\$ 699,062,490	\$ 747,810,680	\$ 864,138,667	\$ 846,196,889	\$ 853,313,625	53.6%
Class 2	Residential	\$ 19,541,646,910	\$ 21,722,123,814	\$ 23,478,586,633	\$ 24,848,164,396	\$ 28,470,271,147	\$ 31,601,784,043	\$ 34,129,303,022	\$ 39,491,832,739	\$ 43,354,555,882	\$ 45,036,821,173	130.5%
Class 3	Apartments	\$ 3,112,532,820	\$ 2,954,804,197	\$ 2,949,056,624	\$ 2,904,131,313	\$ 3,156,864,537	\$ 2,752,941,696	\$ 2,740,459,558	\$ 2,806,587,568	\$ 2,534,926,057	\$ 2,328,329,683	-25.2%
Class 4	Non-Profit	\$ 130,767,522	\$ 134,161,433	\$ 134,516,545	\$ 135,647,888	\$ 163,762,387	\$ 169,265,253	\$ 171,191,973	\$ 193,576,091	\$ 208,382,120	\$ 223,734,218	71.1%
Class 5(a)	Commercial	\$ 12,693,904,933	\$ 13,609,845,964	\$ 13,962,816,333	\$ 14,289,054,588	\$ 15,700,509,409	\$ 16,197,969,499	\$ 16,575,557,467	\$ 18,081,666,969	\$ 18,745,510,132	\$ 19,162,339,407	51.0%
Class 5(b)	Industrial	\$ 4,003,012,960	\$ 4,015,691,469	\$ 4,087,693,971	\$ 4,052,078,770	\$ 4,026,719,636	\$ 4,055,175,382	\$ 4,078,633,063	\$ 4,184,026,859	\$ 4,331,180,487	\$ 4,305,861,746	7.6%
Class 6	Industrial*	\$ 155,430,232	\$ 151,057,765	\$ 149,883,250	\$ 159,641,737	\$ 187,378,862	\$ 203,924,145	\$ 237,095,429	\$ 267,496,712	\$ 290,787,552	\$ 310,897,397	100.0%
Class 7	Commercial*	\$ 10,258,610	\$ 874,805	\$ 10,704,974	\$ 11,438,642	\$ 7,333,991	\$ 13,368,543	\$ 14,055,475	\$ 9,891,659	\$ 17,452,021	\$ 28,473,840	177.6%
Class 8	Commercial*	\$ 4,387,116	\$ 2,574,946	\$ 2,256,676	\$ 2,865,355	\$ 4,478,115	\$ 6,528,689	\$ 10,101,958	\$ 15,432,741	\$ 21,828,294	\$ 29,113,067	563.6%
Class 9	Apartment*	\$ 24,967,775	\$ 30,375,124	\$ 37,785,837	\$ 48,594,407	\$ 66,355,145	\$ 91,086,422	\$ 105,964,771	\$ 148,054,890	\$ 165,188,430	\$ 178,514,326	615.0%
	Farm	\$ 13,937,967	\$ 11,129,255	\$ 10,421,212	\$ 10,127,615	\$ 9,915,409	\$ 9,360,199	\$ 9,139,087	\$ 8,466,186	\$ 8,223,477	\$ 9,199,805	-34.0%
	Railroad	\$ 94,895,496	\$ 111,619,148	\$ 121,518,783	\$ 121,401,598	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total		\$ 40,341,291,690	\$ 43,346,649,181	\$ 45,544,619,746	\$ 47,184,760,754	\$ 52,462,495,789	\$ 55,800,466,361	\$ 58,819,312,483	\$ 66,071,171,081	\$ 70,524,231,341	\$ 72,466,598,287	79.6%
City of Chicago												
Assessment Year		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	% Change
Class 1	Vacant	\$ 177,579,515	\$ 238,515,923	\$ 233,690,278	\$ 221,053,482	\$ 319,469,249	\$ 272,429,422	\$ 257,026,036	\$ 415,639,835	\$ 391,413,271	\$ 383,909,602	116.2%
Class 2	Residential	\$ 6,777,399,785	\$ 8,758,681,649	\$ 8,973,795,507	\$ 9,221,622,066	\$ 12,677,199,294	\$ 12,988,216,247	\$ 13,420,538,211	\$ 18,521,873,454	\$ 18,937,256,455	\$ 19,339,573,551	185.4%
Class 3	Apartments	\$ 2,021,410,960	\$ 1,966,920,632	\$ 1,923,256,675	\$ 1,865,646,223	\$ 2,233,571,966	\$ 1,883,047,692	\$ 1,842,613,464	\$ 2,006,898,081	\$ 1,768,926,716	\$ 1,602,768,576	-20.7%
Class 4	Non-Profit	\$ 38,320,622	\$ 46,327,495	\$ 45,597,774	\$ 44,727,441	\$ 69,898,173	\$ 69,591,072	\$ 69,004,531	\$ 89,049,825	\$ 90,691,565	\$ 92,375,650	141.1%
Class 5(a)	Commercial	\$ 6,840,275,712	\$ 7,665,597,173	\$ 7,647,436,793	\$ 7,794,495,906	\$ 9,190,251,003	\$ 9,315,849,521	\$ 9,432,173,527	\$ 10,940,796,497	\$ 11,044,794,465	\$ 11,191,221,768	63.6%
Class 5(b)	Industrial	\$ 1,070,562,393	\$ 1,141,846,904	\$ 1,109,929,002	\$ 1,083,645,671	\$ 1,113,480,408	\$ 1,085,579,267	\$ 1,070,524,581	\$ 1,216,352,569	\$ 1,194,291,646	\$ 1,168,315,061	9.1%
Class 6	Industrial*	\$ 33,161,499	\$ 31,117,607	\$ 32,520,601	\$ 33,479,069	\$ 40,215,932	\$ 44,491,612	\$ 49,653,550	\$ 63,023,307	\$ 56,597,441	\$ 57,665,606	73.9%
Class 7	Commercial*	\$ 10,258,610	\$ 650,546	\$ 10,480,715	\$ 10,810,800	\$ 6,694,479	\$ 12,754,914	\$ 13,198,926	\$ 9,035,110	\$ 16,457,624	\$ 27,315,864	166.3%
Class 8	Commercial*	\$ 143,623	\$ 143,844	\$ 143,844	\$ 143,844	\$ 118,574	\$ 118,562	\$ 118,562	\$ 53,278	\$ -	\$ -	-
Class 9	Apartment*	\$ 22,790,995	\$ 26,187,460	\$ 31,602,819	\$ 39,156,403	\$ 51,283,459	\$ 66,076,167	\$ 73,097,118	\$ 112,066,213	\$ 123,036,169	\$ 131,972,159	479.1%
	Farm	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
	Railroad	\$ 92,332,048	\$ 109,222,730	\$ 118,918,712	\$ 118,737,295	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total		\$ 17,084,235,762	\$ 19,985,211,963	\$ 20,127,372,720	\$ 20,433,518,200	\$ 25,702,182,537	\$ 25,738,154,476	\$ 26,227,948,506	\$ 33,374,788,169	\$ 33,623,465,352	\$ 33,995,117,837	99.0%
Suburban Cook County												
Assessment Year		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	% Change
Class 1	Vacant	\$ 377,969,834	\$ 363,875,338	\$ 365,688,630	\$ 380,560,963	\$ 349,437,902	\$ 426,633,068	\$ 490,784,644	\$ 448,498,832	\$ 454,783,618	\$ 469,404,023	24.2%
Class 2	Residential	\$ 12,764,247,125	\$ 12,963,442,165	\$ 14,504,791,126	\$ 15,626,542,330	\$ 15,793,071,853	\$ 18,613,567,796	\$ 20,708,764,811	\$ 20,969,959,285	\$ 24,417,299,427	\$ 25,697,247,622	101.3%
Class 3	Apartments	\$ 1,091,121,860	\$ 987,883,565	\$ 1,025,799,949	\$ 1,038,485,090	\$ 923,292,571	\$ 869,894,004	\$ 897,846,094	\$ 799,689,487	\$ 765,999,341	\$ 725,561,107	-33.5%
Class 4	Non-Profit	\$ 92,446,900	\$ 87,833,938	\$ 88,918,771	\$ 90,920,447	\$ 93,864,214	\$ 99,674,181	\$ 102,187,442	\$ 104,526,266	\$ 117,690,555	\$ 131,358,568	42.1%
Class 5(a)	Commercial	\$ 5,853,629,221	\$ 5,944,248,791	\$ 6,315,379,540	\$ 6,494,558,682	\$ 6,510,258,406	\$ 6,882,119,978	\$ 7,143,383,940	\$ 7,140,870,472	\$ 7,700,715,667	\$ 7,971,117,639	36.2%
Class 5(b)	Industrial	\$ 2,932,450,567	\$ 2,873,844,565	\$ 2,977,764,969	\$ 2,968,433,099	\$ 2,913,239,228	\$ 2,969,596,115	\$ 3,008,108,482	\$ 2,967,674,290	\$ 3,136,888,841	\$ 3,137,546,685	7.0%
Class 6	Industrial*	\$ 122,268,733	\$ 119,940,158	\$ 117,362,649	\$ 126,162,668	\$ 147,162,930	\$ 159,432,533	\$ 187,441,879	\$ 204,473,405	\$ 234,190,111	\$ 253,231,791	107.1%
Class 7	Commercial*	\$ -	\$ 224,259	\$ 224,259	\$ 627,842	\$ 639,512	\$ 613,629	\$ 856,549	\$ 856,549	\$ 994,397	\$ 1,157,976	--
Class 8	Commercial*	\$ 4,243,493	\$ 2,431,102	\$ 2,112,832	\$ 2,721,511	\$ 4,359,541	\$ 6,410,127	\$ 9,983,396	\$ 15,379,463	\$ 21,828,294	\$ 29,113,067	586.1%
Class 9	Apartment*	\$ 2,176,780	\$ 4,187,664	\$ 6,183,018	\$ 9,438,004	\$ 15,071,686	\$ 25,010,255	\$ 32,867,653	\$ 35,988,677	\$ 42,152,261	\$ 46,542,167	2038.1%
	Farm	\$ 13,937,967	\$ 11,129,255	\$ 10,421,212	\$ 10,127,615	\$ 9,915,409	\$ 9,360,199	\$ 9,139,087	\$ 8,466,186	\$ 8,223,477	\$ 9,199,805	-34.0%
	Railroad	\$ 2,563,448	\$ 2,396,418	\$ 2,600,071	\$ 2,664,303	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total		\$ 23,257,055,928	\$ 23,361,437,218	\$ 25,417,247,026	\$ 26,751,242,554	\$ 26,760,313,252	\$ 30,062,311,885	\$ 32,591,363,977	\$ 32,696,382,912	\$ 36,900,765,989	\$ 38,471,480,450	65.4%

Note: Class 0 includes parcels assessed by the Department of Revenue (e.g., railroad and pollution control properties) and parcels that are exempt from assessment (e.g., charitable, religious, educational, and governmental properties). Railroad properties were moved to Class 0 in 2003. 1999-2000 drop in Class 3 is due in part to reclassification of Class 3-18 parcels to Class 2-18.

* Incentive Classes

Source: Cook County Assessor's Office, Final Assessment Abstracts

APPENDIX D: COOK COUNTY MEDIAN LEVELS OF ASSESSMENT

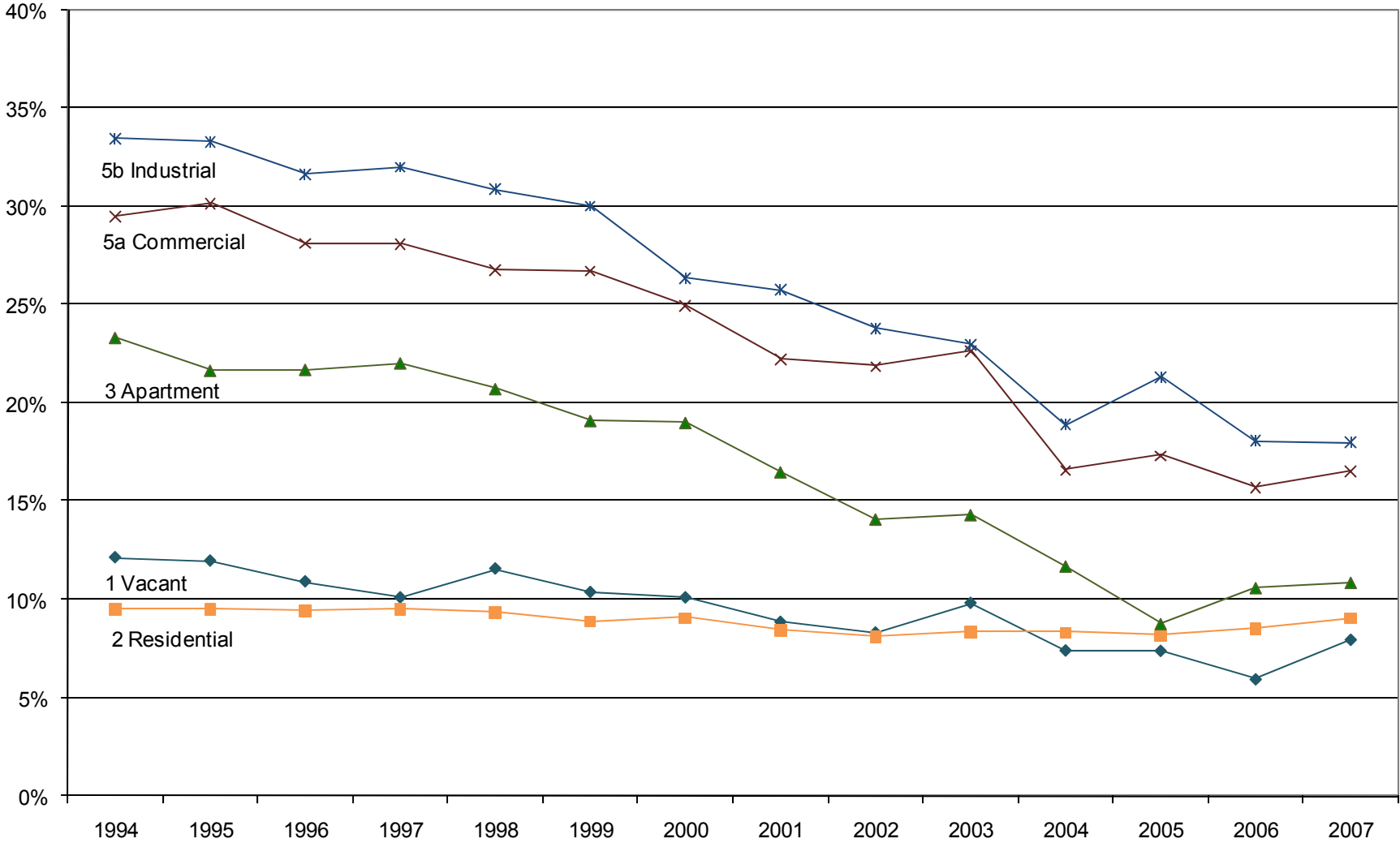
Cook County Median Levels of Assessment, per Illinois Department of Revenue Assessment/Sales Ratio Studies: 1994-2007														
Cook County Total														
	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Class 1 Vacant	0.1214	0.1197	0.1092	0.1011	0.1157	0.1038	0.1011	0.0887	0.0833	0.0983	0.0742	0.0740	0.0596	0.0796
Class 2 Residential	0.0946	0.0948	0.0938	0.095	0.0931	0.0888	0.0905	0.0843	0.0810	0.0838	0.0831	0.0815	0.0851	0.0904
Class 3 Apartment	0.2331	0.2164	0.2169	0.2202	0.2071	0.1909	0.1899	0.1648	0.1408	0.1430	0.1169	0.0876	0.1059	0.1086
Class 5a Commercial	0.2952	0.3018	0.2815	0.2811	0.2677	0.2674	0.2499	0.2222	0.2188	0.2267	0.1659	0.1734	0.1571	0.1653
Class 5b Industrial	0.3347	0.3329	0.3162	0.3201	0.3087	0.3004	0.2635	0.2576	0.2380	0.2298	0.1890	0.2133	0.1806	0.1799
City of Chicago Assessment Triad														
	1994*	1995	1996	1997*	1998	1999	2000*	2001	2002	2003*	2004	2005	2006*	2007
Class 1 Vacant	0.0797	0.0772	0.0627	0.0600	0.0614	0.0467	0.0401	0.0626	0.0623	0.0880	0.0444	0.0481	0.0659	0.0784
Class 2 Residential	0.0977	0.0933	0.0896	0.0953	0.0869	0.0784	0.0849	0.0754	0.0706	0.0876	0.0798	0.0743	0.0902	0.0881
Class 3 Apartment	0.2199	0.2033	0.1987	0.2155	0.1950	0.1761	0.1652	0.1569	0.1260	0.1387	0.1183	0.0853	0.1069	0.1074
Class 5a Commercial	0.2658	0.2799	0.2556	0.2602	0.2410	0.2399	0.2238	0.1754	0.1822	0.1905	0.1390	0.1451	0.1306	0.1552
Class 5b Industrial	0.3395	0.3177	0.2608	0.2675	0.2450	0.2259	0.1678	0.1660	0.1139	0.1110	0.1174	0.1129	0.0861	0.1048
Northwest Suburbs Assessment Triad														
	1994	1995*	1996	1997	1998*	1999	2000	2001*	2002	2003	2004*	2005	2006	2007*
Class 1 Vacant	0.1274	0.1213	0.0992	0.0913	0.1319	0.1004	0.0772	0.0851	0.0830	0.0856	0.1059	0.0852	0.0794	0.0707
Class 2 Residential	0.0920	0.0988	0.0946	0.0930	0.0978	0.0909	0.0871	0.0915	0.0820	0.0750	0.0898	0.0844	0.0774	0.1000
Class 3 Apartment	0.2318	0.2369	0.2676	0.2146	0.2342	0.2148	0.1874	0.1623	0.1398	0.1379	0.1010	0.1203	0.1127	0.1086
Class 5a Commercial	0.3056	0.2974	0.3545	0.3122	0.2932	0.3071	0.2660	0.2665	0.2548	0.2407	0.1953	0.1941	0.1592	0.1961
Class 5b Industrial	0.3244	0.3460	0.3416	0.3433	0.3435	0.3248	0.2912	0.2950	0.2662	0.2652	0.2365	0.2430	0.2179	0.1990
Southwest Suburbs Assessment Triad														
	1994	1995	1996*	1997	1998	1999*	2000	2001	2002*	2003	2004	2005*	2006	2007
Class 1 Vacant	0.1339	0.1296	0.1322	0.1312	0.1288	0.1347	0.1225	0.1122	0.1205	0.1114	0.1004	0.1320	0.0882	0.0788
Class 2 Residential	0.0931	0.0907	0.0971	0.0960	0.0943	0.0972	0.0936	0.0869	0.0966	0.0866	0.0792	0.0918	0.0816	0.0820
Class 3 Apartment	0.2475	0.2495	0.2477	0.2523	0.2333	0.2498	0.2304	0.1824	0.1952	0.1697	0.1118	0.0941	0.1012	0.1041
Class 5a Commercial	0.3314	0.3205	0.3021	0.3096	0.2853	0.3054	0.2762	0.2501	0.2564	0.2296	0.1885	0.2341	0.1752	0.1644
Class 5b Industrial	0.3364	0.3236	0.3319	0.3224	0.3062	0.3265	0.2801	0.2576	0.3086	0.2665	0.2156	0.2753	0.2366	0.2212

Note: Adjusted medians used when available. In 2001 there were insufficient sales in Southwest Class 5b so the countywide median was used. In 2007 there were insufficient sales in Northwest Class 3 so the countywide median was used.

*= reassessment year

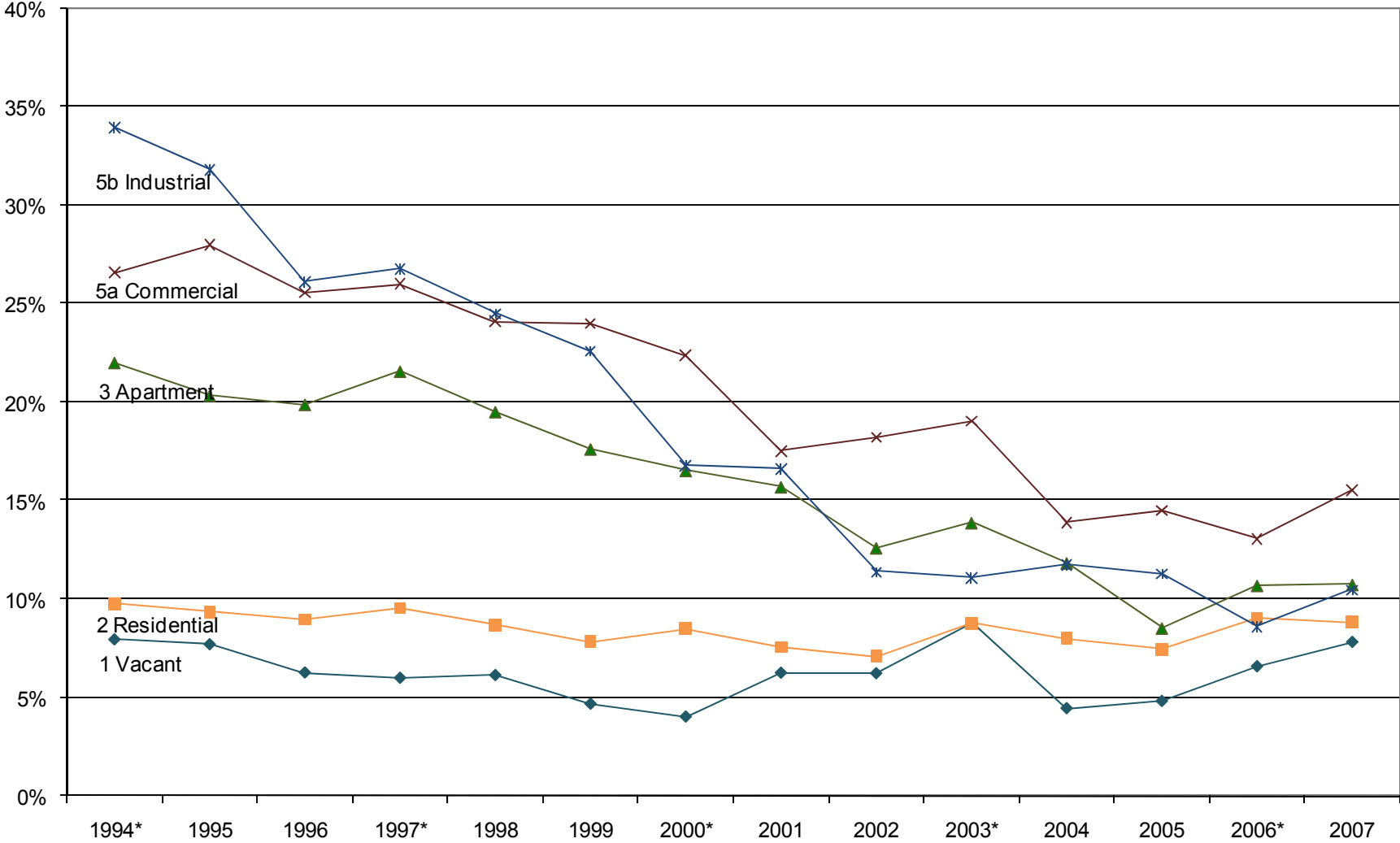
Source: Illinois Department of Revenue, Table 1 Assessment Ratio Levels, <http://www.revenue.state.il.us/AboutIdor/TaxStats/index.htm>

Total Cook County Median Levels of Assessment 1994-2007



Source: Illinois Department of Revenue, Table 1 Assessment Ratio Levels, <http://www.revenue.state.il.us/AboutIdor/TaxStats/index.htm>

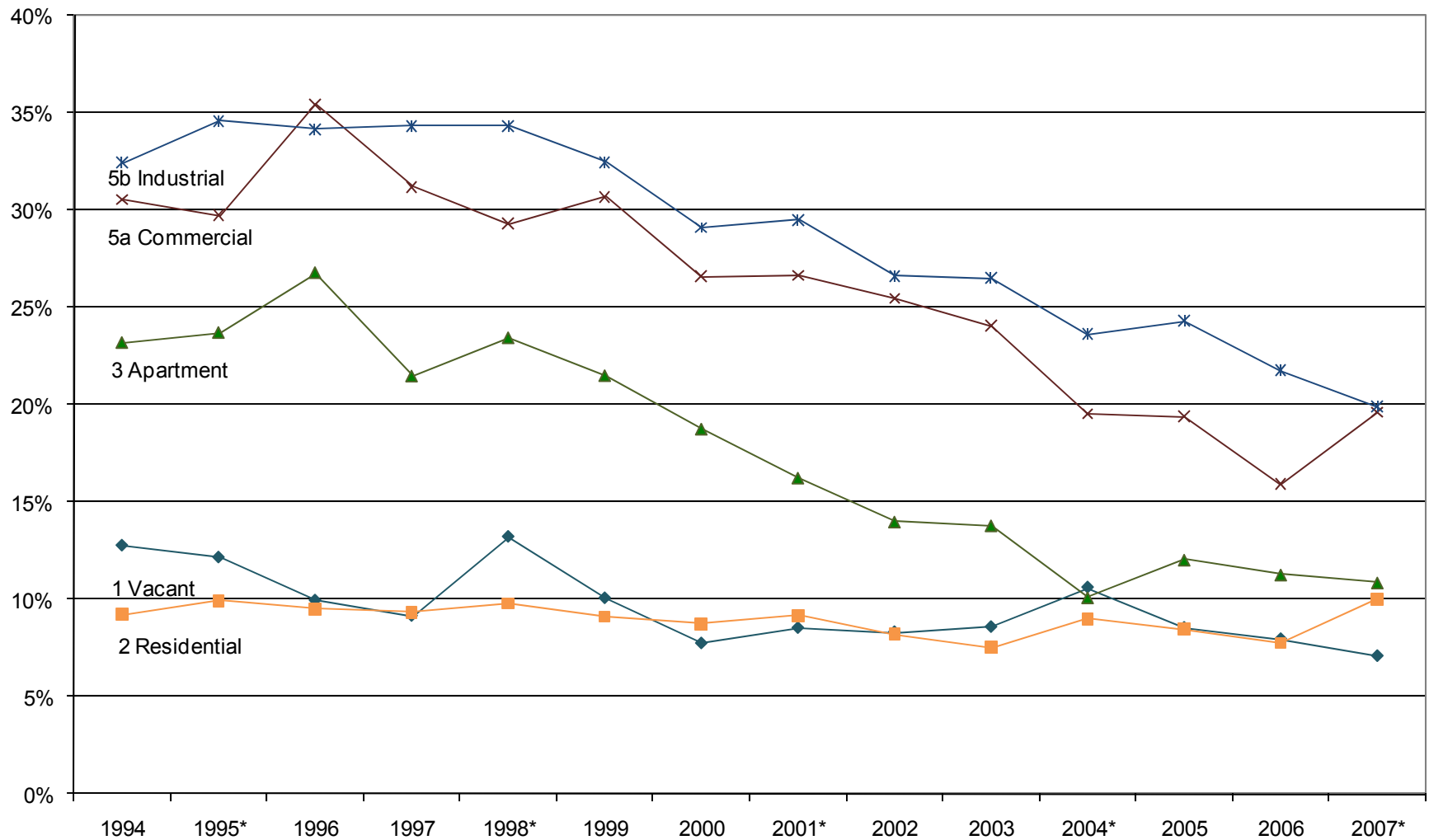
City of Chicago Triad Median Levels of Assessment 1994-2007



*=reassessment year

Source: Illinois Department of Revenue, Table 1 Assessment Ratio Levels, <http://www.revenue.state.il.us/AboutIdor/TaxStats/index.htm>

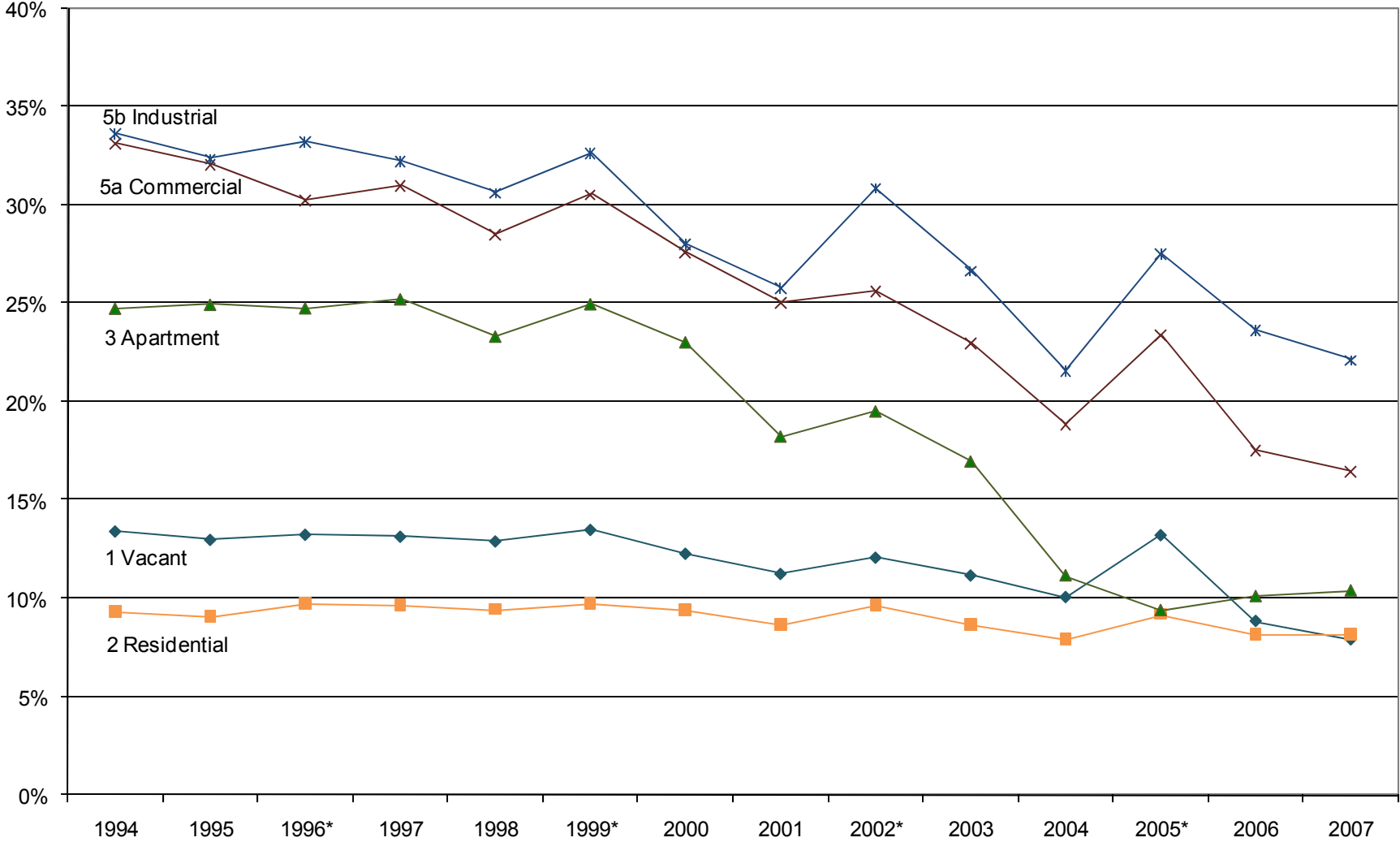
Northwest Triad Median Levels of Assessment 1994-2007



*=reassessment year

Source: Illinois Department of Revenue, Table 1 Assessment Ratio Levels, <http://www.revenue.state.il.us/AboutIdor/TaxStats/index.htm>

Southwest Triad Median Levels of Assessment 1994-2007



*=reassessment year

Source: Illinois Department of Revenue, Table 1 Assessment Ratio Levels, <http://www.revenue.state.il.us/AboutIdor/TaxStats/index.htm>

APPENDIX E: HOMESTEAD EXEMPTIONS

Homestead Exemptions in Illinois Statutes						
Statute	Name	Eligibility	Tax Year 2008 Amount	Restrictions on Other Exemptions	Year Created	Application Made To
35 ILCS 20/15-165	Disabled Veterans' Exemption	For disabled veteran homeowners and their spouses	Property up to an assessed value of \$70,000 is exempted from taxation	Cannot also receive the Disabled Persons' Exemption or the Disabled Veterans' Standard Homestead Exemption	1970	Illinois Department of Veterans' Affairs
35 ILCS 200/15-167	Returning Veterans' Homestead Exemption	For veteran homeowners upon the year of their return from an armed conflict	\$5,000 of EAV	None	2007	Assessor
35 ILCS 200/15-168	Disabled Persons' Homestead Exemption	For disabled homeowners unable to engage in substantial gainful activity by reason of physical or mental impairment	\$2,000 of EAV	Cannot also receive the Disabled Veterans' Exemption or the Disabled Veterans' Standard Homestead Exemption	2007	Assessor
35 ILCS 200/15-169	Disabled Veterans' Standard Homestead Exemption	For disabled veteran homeowners and their spouses	\$2,500 of EAV for 50% to 75% disability, \$5,000 of EAV for at least 75% disability	Cannot also receive the Disabled Persons' Homestead Exemption or the Disabled Veterans' Homestead Exemption	2007	Assessor
35 ILCS 200/15-170	Senior Citizens Homestead Exemption	For homeowners at least 65 years old	\$4,000 of EAV	None	1970	Assessor
35 ILCS 200/15-172	Senior Citizens Assessment Freeze Homestead Exemption	For homeowners at least 65 years old and with household income under \$55,000 (in tax year 2008 and after), freezes EAV at time of first application	Varies, equal to difference between current EAV and base year EAV at time of first application	None	1994	Assessor
35 ILCS 200/15-175	General Homestead Exemption	For all homeowners outside Cook County on their primary residence	Difference between 1977 EAV and current EAV up to a maximum of \$5,500 of EAV for tax year 2008, and \$6,000 of EAV for tax year 2009 and after	None	1978	Assessor
35 ILCS 200/15-176	Alternative General Homestead Exemption	For all Cook County homeowners on their primary residence	Varies, equal to difference between base year EAV at time of first application and 7% per year growth in EAV. Depends on assessment triad. 2008 maximum is \$33,000 of EAV for South Triad and minimum \$5,500 of EAV.	None	2004	Assessor
35 ILCS 200/15-177	Long-time Occupant Homestead Exemption	For Cook County homeowners on their primary residence. Must have total household income of \$100,000 or less and have lived in the home for 10 consecutive years, or 5 years if received government assistance to acquire the property	Varies, equal to difference between base year EAV at time of first application and 7% per year growth in EAV if income is \$75,000 or less; 10% per year EAV increase limit if income is from \$75,001 to \$100,000.	Cannot also receive the Alternative General Homestead Exemption or Senior Citizens Assessment Freeze Homestead Exemption	2007	Assessor
35 ILCS 200/15-180	Homestead Improvements	For all homeowners on their primary residence	Up to \$75,000 fair cash value of improvements made to homestead property for up to four years	None	1975	Assessor

Cook County Major Homestead Exemptions EAV: Tax Years 1999-2008										
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Homeowner Exemptions	\$ 4,280,981,173	\$ 4,440,423,559	\$ 4,534,354,741	\$ 4,063,713,275	\$ 7,107,664,604	\$ 10,575,198,195	\$ 13,296,470,723	\$ 16,809,420,592	\$ 20,583,778,976	\$ 20,825,947,022
Senior Citizens Assessment Freeze Exemption	\$ 481,612,624	\$ 650,622,056	\$ 982,393,838	\$ 1,380,138,793	\$ 1,835,245,328	\$ 2,534,911,610	\$ 3,278,711,041	\$ 4,065,142,740	\$ 4,567,291,177	\$ 5,199,345,016
Senior Citizens Homestead Exemption	\$ 642,370,843	\$ 645,963,730	\$ 693,381,451	\$ 638,568,646	\$ 609,264,080	\$ 760,845,304	\$ 750,013,007	\$ 843,575,677	\$ 911,394,660	\$ 1,087,075,719

Note: Homeowner Exemptions include the General Homestead Exemption (1998-2002), Alternative General Homestead Exemption (2003-2008), Homeowner Exemption for Long-term Properties (2000-2004), Long-time Occupant Homestead Exemption (2007-2008), and the Disabled Veterans' Exemption (1999-2008). The Disabled Veteran's Exemption is included because it could not be extracted from other homeowner exemption data prior to 2007.

Source: Cook County Clerk Equalized Valuations for Split Agencies reports and Agency Tax Rate reports

Cook County Equalized Assessed Value of Homestead Exemptions, Tax Year 2008				
Exemption	City of Chicago	Suburban Cook County	Total Cook County	% of Total Cook County
Homeowner Exemptions (Alternative General and Long-time Occupant)	\$ 7,401,079,882	\$ 13,422,348,427	\$ 20,823,428,309	76.8%
Senior Citizens Assessment Freeze Exemption	\$ 2,375,424,596	\$ 2,823,920,420	\$ 5,199,345,016	19.2%
Senior Citizens Homestead Exemption	\$ 398,715,932	\$ 688,359,787	\$ 1,087,075,719	4.0%
Disabled Persons' Homestead Exemption	\$ 3,370,000	\$ 7,380,356	\$ 10,750,356	0.0%
Disabled Veterans' Exemption*	\$ 355,052	\$ 2,163,661	\$ 2,518,713	0.0%
Disabled Veterans' Standard Homestead Exemption	\$ 940,889	\$ 2,333,793	\$ 3,274,682	0.0%
Returning Veterans' Exemption	\$ 120,000	\$ 122,500	\$ 242,500	0.0%
TOTAL	\$ 10,180,006,351	\$ 16,946,628,944	\$ 27,126,635,295	100.0%

*This exemption is determined by the Illinois Department of Veterans' Affairs and certified to the county clerk. Application for all other exemptions is made to the county assessor and the amounts are certified to the county clerk. The Homestead Improvements exemption is done by the assessor prior to equalization and is not included here.

Source: Cook County Clerk Tax Year 2008 Agency Exemption Detail Report

APPENDIX F: HOMESTEAD EXEMPTIONS VS. TAXABLE EAV

Cook County Homestead Exemptions Compared to Taxable EAV: Tax Years 1999-2008										
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Exemptions	\$ 4,454,918,475	\$ 4,853,214,214	\$ 6,210,130,030	\$ 6,082,420,714	\$ 9,552,174,012	\$ 13,870,955,109	\$ 17,325,194,771	\$ 21,718,139,009	\$ 26,068,552,833	\$ 27,126,635,295
Taxable EAV	\$85,422,649,430	\$90,663,494,088	\$ 99,004,746,608	\$110,430,379,185	\$119,563,591,735	\$129,865,412,796	\$143,403,234,714	\$157,189,565,787	\$174,555,020,574	\$188,792,890,691
Gross EAV	\$ 89,877,567,905	\$ 95,516,708,302	\$ 105,214,876,638	\$ 116,512,799,899	\$ 129,115,765,747	\$ 143,736,367,905	\$ 160,728,429,485	\$ 178,907,704,796	\$ 200,623,573,407	\$ 215,919,525,986
Homestead Exemptions as Percent of Gross EAV										
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Exemptions	5.0%	5.1%	5.9%	5.2%	7.4%	9.7%	10.8%	12.1%	13.0%	12.6%
Taxable EAV	95.0%	94.9%	94.1%	94.8%	92.6%	90.3%	89.2%	87.9%	87.0%	87.4%
Gross EAV	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Note: Exemptions include all exemptions listed on Cook County Clerk Equalized Valuations for Split Agencies reports. Taxable EAV includes the EAV available to taxing agencies and TIF increment EAV.
 Source: Cook County Clerk Equalized Valuations for Split Agencies reports and Tax Increment Agency Distribution Summary.