



Office of the City Clerk

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Legislation Text

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Committee on Finance Chicago City Council Meeting
September 21, 2022

RESOLUTION

WHEREAS, the property tax payers of the City of Chicago are owed the truth about tax reporting, assessments and municipal levies; and,

WHEREAS, the 2021 2nd Installment Cook County Property Tax Bills have not been mailed and will not be mailed until at least November 2022 or December 2022, creating economic uncertainty for local taxpayers; and,

WHEREAS, in 2021, properties within the City of Chicago were assessed by the Cook County Assessor's Office for tax purposes; and,

WHEREAS, in 2021, changes in assessed values varied by neighborhood and type of property, resulting in some properties with potential 2021 Tax Year property tax decreases and others with potential 2021 Tax Year property tax increases; and,

WHEREAS, thousands of Chicago businesses and manufacturers received significant assessed valuation increases in excess of 100% that will negatively impact local neighborhoods and jobs; and,

WHEREAS, the 2021 Tentative Multiplier decreased from the 2020 Final Multiplier from 3.2234 to 2.7297, foreshadowing uncertainty as to the final equalized assessed value or taxable value of Chicago; and,

WHEREAS, all the taxing districts with taxing jurisdiction within the boundaries of Chicago were not included in the 2022 Budget Overview. Specifically, in the 2022 Budget Overview, tax revenues from Special Service Areas (SSA) and Tax Increment Finance (TIF) Districts were not included in the \$6.19 billion; and,

WHEREAS, in its 2022 Tax Levy proposal, the City of Chicago views new property growth and Tax Increment Finance expirations as an opportunity to increase the property tax levy. According to the Illinois Department of Revenue, new property growth and Tax Increment Finance expirations are to be used to calculate the limiting rate used in the Property Tax Extension Limitation Law (Tax Caps). Based on the limiting rate, districts then may decide whether to increase property taxes further than Tax Caps; and,

WHEREAS, a number of Tax Increment Finance districts within the City of Chicago will expire in the next few years. The expiration of these districts will add equalized assessed valuation, currently increment, to the City of Chicago's taxable value, lowering the overall tax rate for all taxpayers; and,

WHEREAS, Cook County property tax incentives (6b's, 7's, and 8's) are an essential economic development tool and the first step in incentives is a Municipal Approval Ordinance; and,

WHEREAS, the City of Chicago will be releasing its proposed 2023 Budget in the next few weeks that will have a significant impact on Chicago taxpayers during these uncertain economic times; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF CHICAGO, that we, the Members of the City Council of Chicago call on the Committee on Finance to conduct hearings on or before September 30, 2022 to fully report on how the property taxes paid by Chicago taxpayers are calculated, collection rates, incentives, Tax Increment Finance Districts, and future property tax increases.

BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF CHICAGO, that representatives of the City of Chicago Department of Finance, City of Chicago Office of Budget and Management, City of Chicago Department of Planning and Development, Cook County Clerk's Office, Cook County Treasurer's Office, and the Illinois Department of Revenue be invited to appear before the City of Chicago City Council to explain and answer questions about their respective policies impacting the property tax bills of Chicago residents and businesses