

## ***Cook County's New Multiplier Hits All Property Owners Hard***

Second installment tax bills are coming out and the new Illinois property tax multiplier at 3.3701 may be the equivalent of 9.9 on the Richter scale, with earthshaking impact on thousands of property owners across Cook County. The 2009 state property tax multiplier (or equalizer) is up this year by 13%, resulting in the highest multiplier applied to Cook County property in history.

The annually adjusted multiplier, which is meant to correct for inaccurate assessments in Illinois counties, almost doubled the previous high increase of 6.9%. While most counties strive to have an equalization factor of zero, Cook County is quite content to assess the value of property at approximately one-third of accurate levels. In fact, over the last 20 years the Cook County tax multiplier averaged a 3.3% increase, not including the 6 years that the state multiplier actually went down

Cook County property owners should be aware of two issues regarding their 2009 (payable 2010) real estate taxes. First, the multiplier will likely increase 2009 second installment tax bills mailed in November and due December 13th, 2010.

For taxpayers whose Assessed Value has been unchanged from the prior tax year, they will still see an increase in annual taxes in the range of 9%. If the property owners were among the tens of thousands who were successful in appealing their assessments, they may see some of their actual tax savings eroded.

Second, municipal and county tax rates also change annually, but adjustments are not known until the second installment bills come out. In some years, taxpayers might hope that decreases in rates might offset increases in the multiplier.

For the City of Chicago, this year's tax rate has dropped about 3.9% (from 4.816 to 4.627). This helps offset some of the tax increase resulting from the change in the state multiplier. For taxpayers in the south and southwestern regions of Cook County, the outlook for tax rates is particularly gloomy for all property classifications.

Contact your property tax professional and discuss the potential impact the Illinois Revenue Department's recently issued tax multiplier will have on your Cook County property tax bill.