Township Levy
Tips, Tricks, and Success

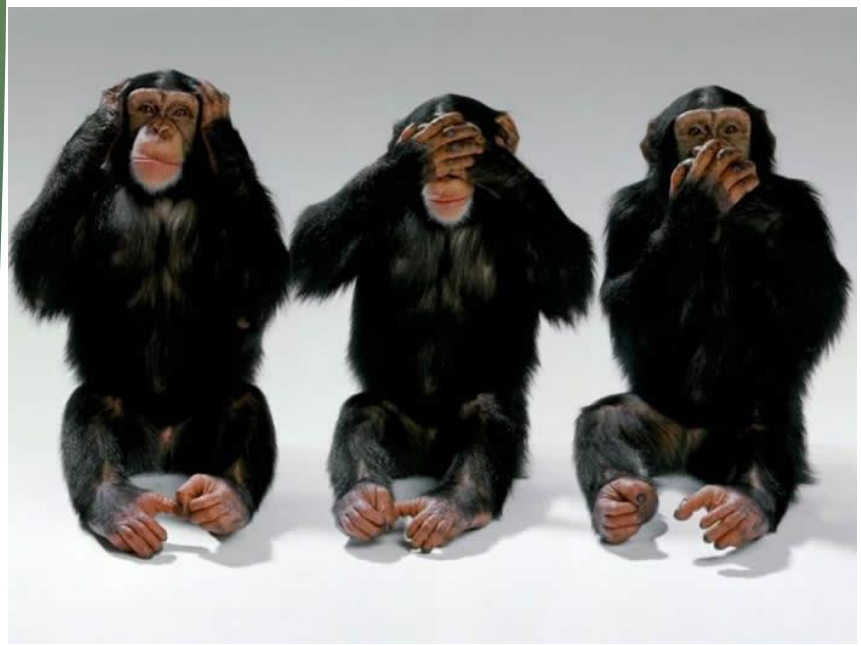
TOI WEBINAR
FALL 2026

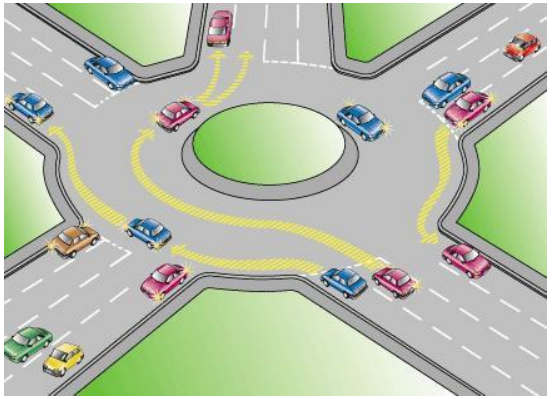
ROBERT A. PORTER

Ancel Glink | Diamond Bush DiCianni & Krafthefer

Chicago
Vernon Hills
Naperville
Crystal Lake
Bloomington

MONKEYS, CIRCLES AND BALLOONS ARE KEY TO MANAGING YOUR TOWNSHIP FINANCES

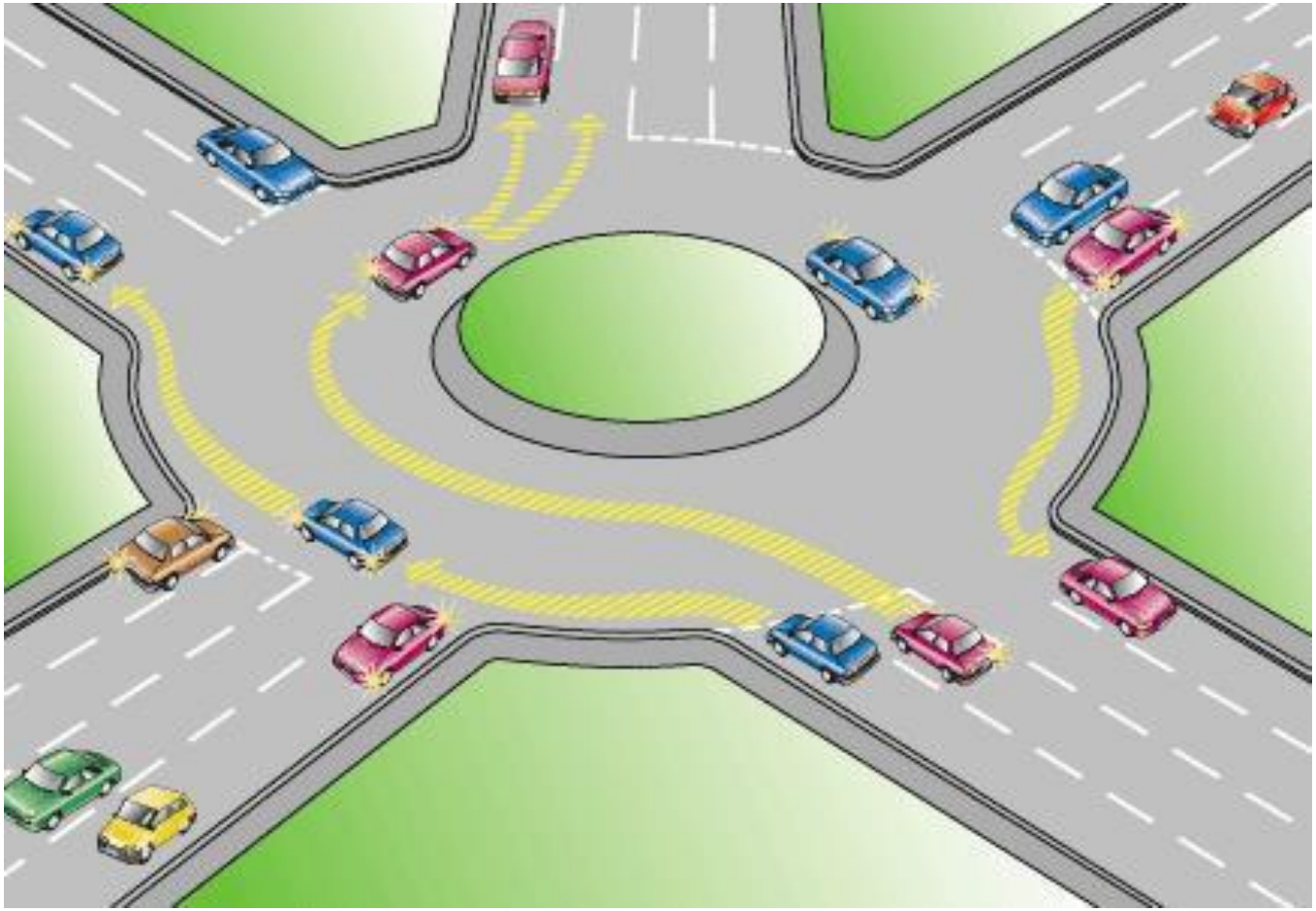






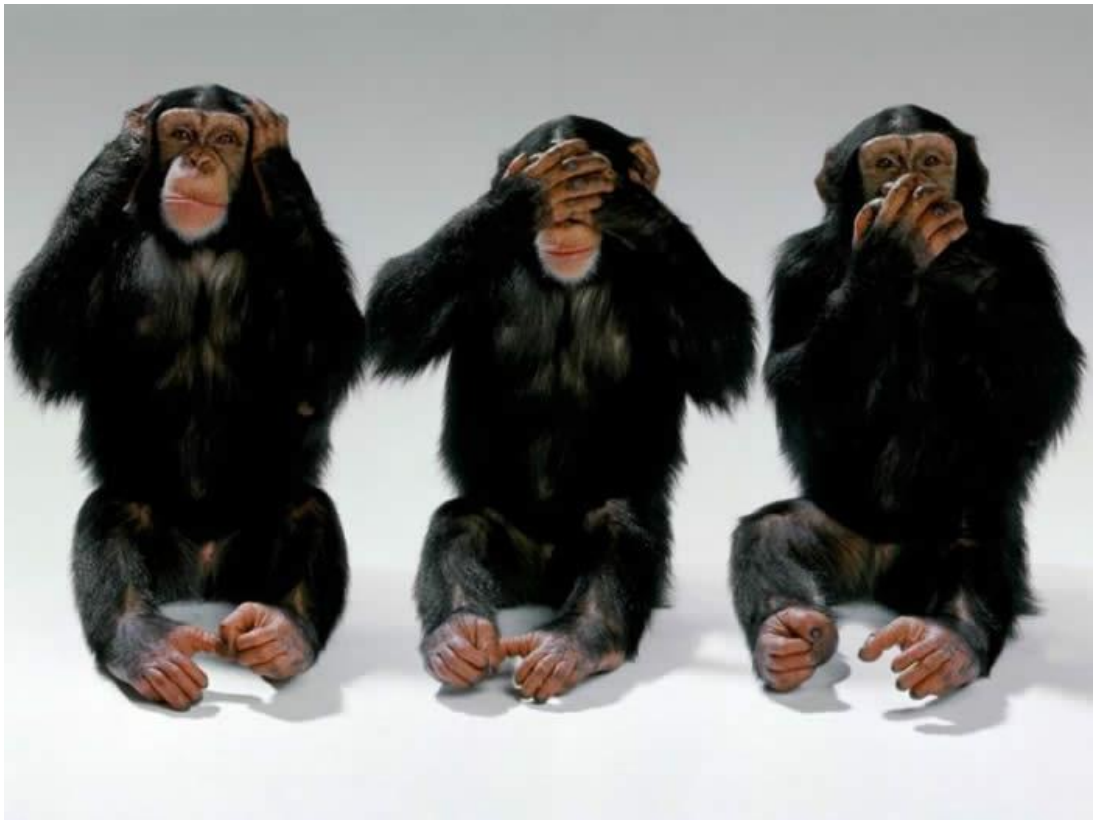
Township Finances are Like a Record – you always are going around and around in the same direction





Township Finances is not where you enter the pattern, but how you operate within the pattern!

HEAR NO EVIL, SPEAK NO EVIL, SEE NO EVIL



Do you **SALT** your finances

(*Same As Last Time*)

Open Meeting Act
BE wary of all meeting for compliance

Any gathering may be subject to the Open Meetings Act

Majority of a quorum

Discussion of public business



All kinds of “meetings” are subject to the Open Meetings Act

“any gathering, whether in person or by video or electronic conference, telephone call, electronic means (such as, without limitation, electronic mail, electronic chat, and instant messaging), or other means of contemporaneous communication, of a majority of a quorum of the members of the public body held for the purpose of discussing public business”

Your Agenda Serves as the Public's Notice of Meetings

Annual notice of all regular Board meetings must be provided and posted on website (if applicable)

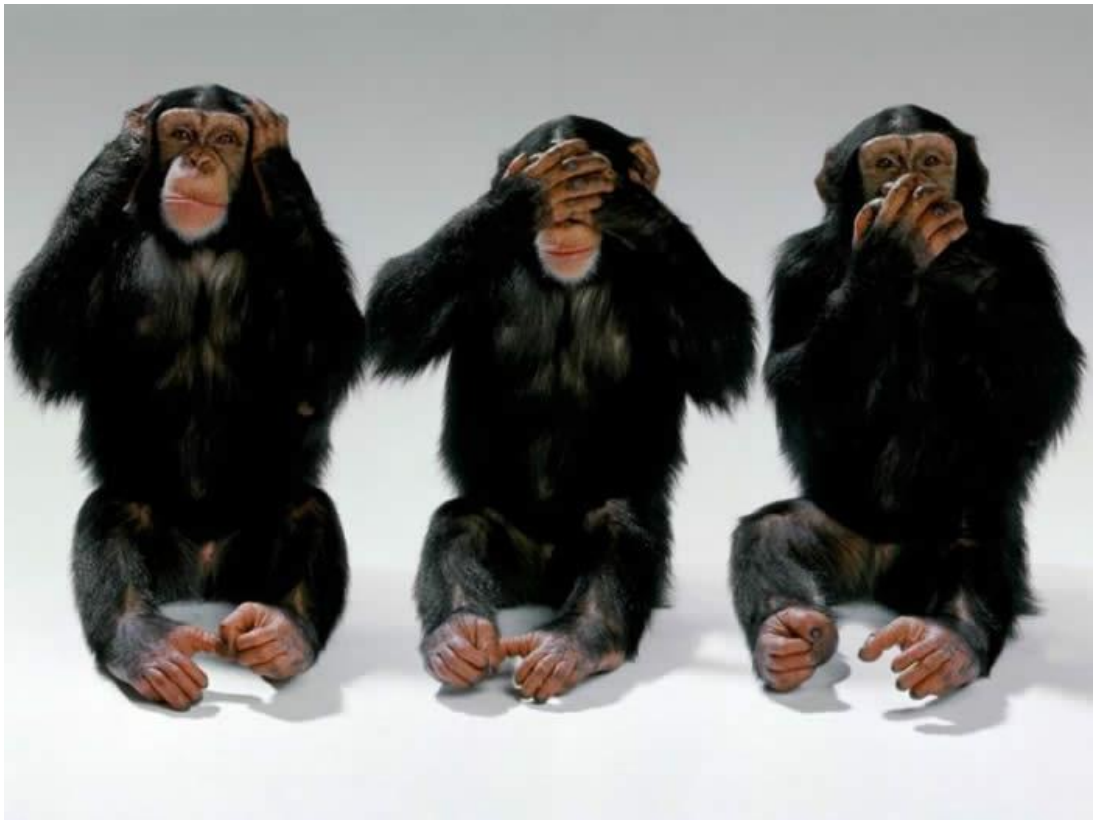
Agendas must be posted no later than 48 hours before meeting

Agendas must be provided to media (if requested) and posted on web site (if applicable)

Property Tax Overview
Where does the Money come from

- Giant Balloon Board at County with a blind man throwing darts to determine values
- Assessed Value (AV)
- Equalized Assessment Value (EAV)
- State Multiplier – 33%
- Cook County Magical Carpet Ride
- Lots of Reading Material in Handout

HEAR NO EVIL, SPEAK NO EVIL, SEE NO EVIL



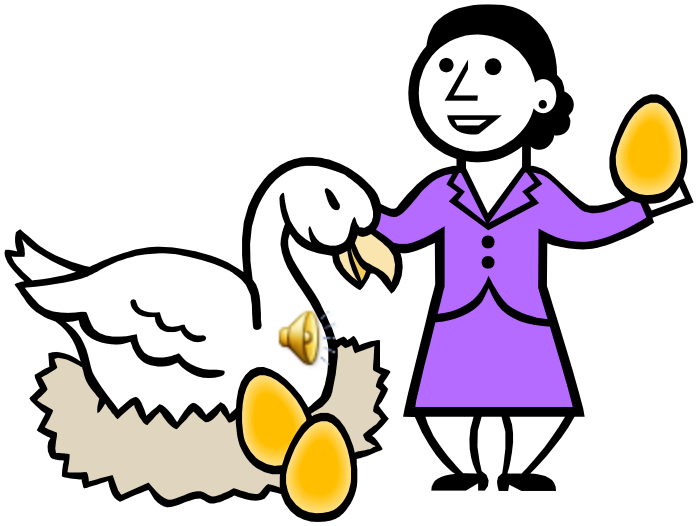
Do you **SALT** your finances

(*Same As Last Time*)

LEVY ORDINANCE



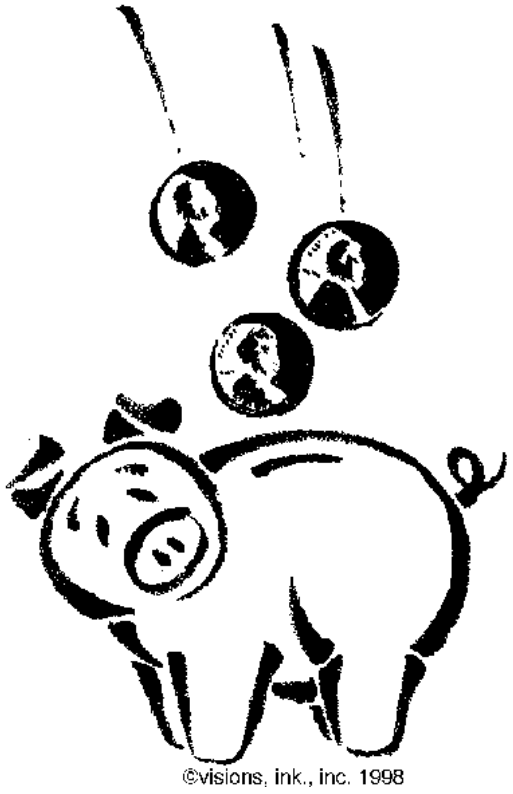
TAKE ME TO THE LEVY



"The art of taxation consists in so plucking the goose as to obtain the largest possible amount of feathers with the smallest amount of honking.."

-Jean Baptiste Colbert

A LEVY IS THE MAIN MEANS FOR OBTAINING REVENUE FOR THE TOWNSHIP

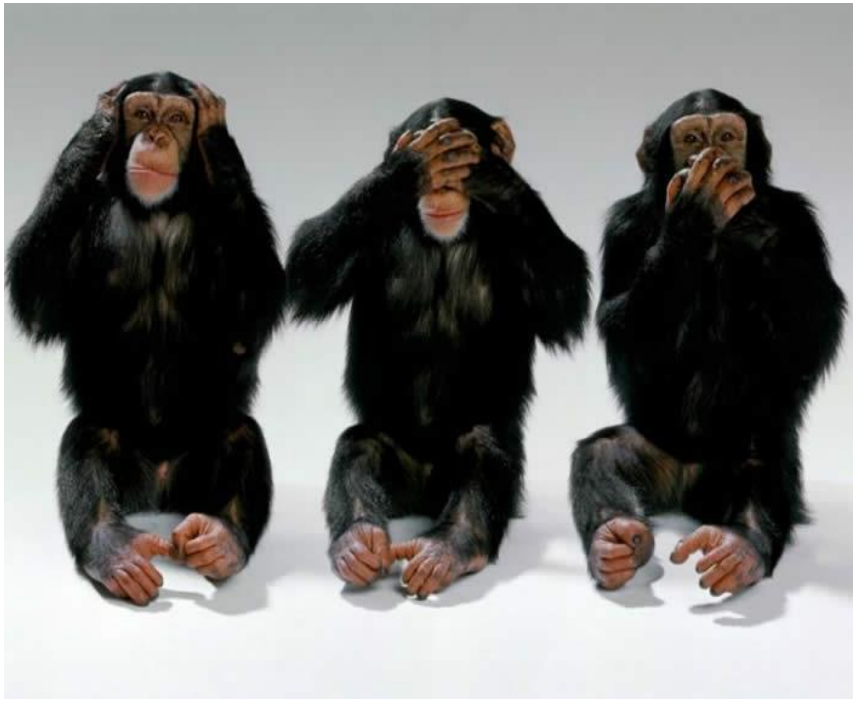


Common Terms

Levy – what you seek

Tax Rate – what you can get

Extension – what you really get



The Levy Ordinance

Legal request for property tax

Must be adopted annually

Must identify every separately authorized tax (ie town, road, pension, bonds, tort liability, etc.)

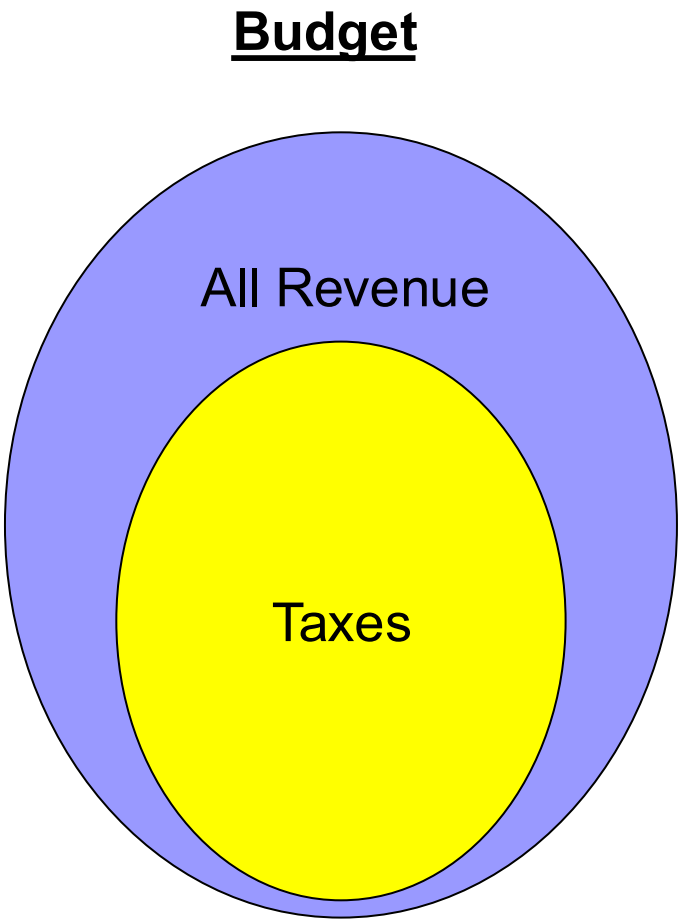
THE LEVY VS. THE BUDGET

LEVY & BUDGET ARE NOT THE SAME

LEVY ADOPTED AT SEPARATE MEETING

BOTH MUST BE FILED WITH COUNTY CLERK

BUDGET MUST BE REALLY DETAILED, BUT NOT SO FOR THE LEVY



ILLINOIS PROPERTY TAX RATE AND LEVY MANUAL

Department Of Commerce And Economic Opportunity

Office Of Local Government Initiatives

Local Government Management Services

http://www.ildceo.net/dceo/

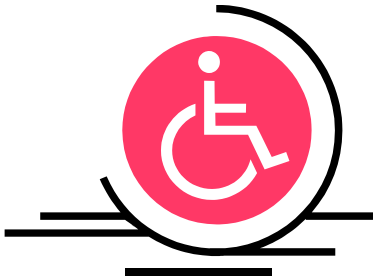
TAXES LEVIED BY ORDINANCE

TOWN
GENERAL ASSISTANCE
SOCIAL SECURITY
AUDIT
ROAD & BRIDGE
PERMANENT ROAD

DEBT SERVICE









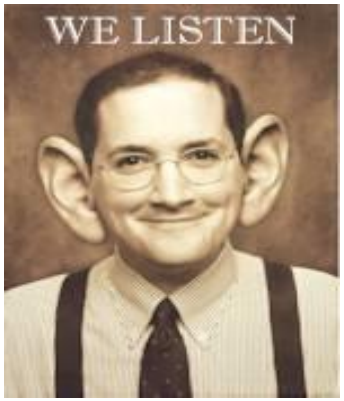
TRUTH IN TAXATION ACT



ESTIMATE THE AMOUNT OF TAXES TO RAISE

- IF ANY PROPOSED AGGREGATE INCREASE OVER 105% FROM PREVIOUS EXTENSION, YOU MUST HOLD A PUBLIC HEARING ON THE INCREASE
- LAW DOES NOT DESCRIBE CHANGES IN THE TAX RATE – IMPACTS ON INDIVIDUAL HOMEOWNERS ARE NOT DESCRIBED BY THIS LAW
- IT'S THE AMOUNT THAT IS ACTUALLY LEVIED THAT COUNTS, NOT THE ESTIMATE

TRUTH IN TAXATION HEARING



MAKE ESTIMATE OF LEVY AVAILABLE AT LEAST 20 DAYS IN ADVANCE OF ADOPTION

PUBLISH NOTICE OF HEARING 7 to 14 DAYS IN ADVANCE

AT HEARING, EXPLAIN REASONS FOR INCREASE

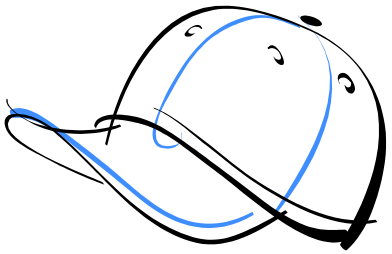
HEARING CAN'T COINCIDE WITH BUDGET HEARING, BUT CAN COINCIDE WITH ADOPTION OF TAX LEVY



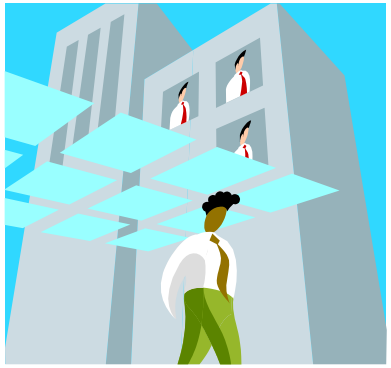
TAX LIMITATIONS





















Property Tax Extension Limitation Law

The "Tax Cap"

35 ILCS 200/18-185, *et seq*.

Permits voters to exercise greater control over the rate of growth of property taxes in non-home rule units of government

- Except by referendum, limits rate of growth by reference to CPI
- All *new* taxes must be approved by referendum

PROPERTY TAX EXTENSION LIMITATION LAW

ALSO KNOWN AS THE “TAX CAP”

LIMITS AMOUNT OF CURRENT LEVY BASED ON LAST YEAR’S EXTENSION

LIMITS GROWTH OF LEVY AS APPLIED PROPERTY VALUE INCREASES IN DISTRICT

ADMINISTERED BY COUNTY CLERKS

HOW THE COUNTY APPLIES PTELL



- COUNTY DETERMINES PRELIMINARY RATE (*based on your original levy*)
- COUNTY DETERMINES LIMITING RATE (*using statutory calculation*)
- IF PRELIMINARY AGGREGATE RATE EXCEEDS LIMITING RATE, LIMITING RATE IS APPLIED
- ADJUSTMENTS MADE ON PROPORTIONAL BASIS, UNLESS CLERK TOLD OTHERWISE

What is the Limiting Rate?

$$\frac{\text{Aggregate Extension Base x (1 + Extension Limitation)}}{\text{EAV – New Prop. – EAV Annexed Prop + EAV Disconnected}}$$

Property Tax Extension Limitation Law

Limits Growth of Tax Rate to the Lesser Of 5% or the Percentage Increase of CPI for the Year Preceding the Levy, or, the Percentage Rate of Increase Approved By Referendum For That Particular Levy Year

http://www.revenue.state.il.us/LocalGovernment/PropertyTax/CPIhistory.pdf

2012 CPI % Change = 3%

Property Tax Extension Limitation Law

To whom does the "Tax Cap" apply?

Since 1991, non-home rule governments located in DuPage, Lake, McHenry and Will counties

In 1995, this law was extended to all non-home rule taxing districts in Cook County

Other Counties which have adopted it by referendum

http://www.revenue.state.il.us/LocalGovernment/PropertyTax/PTELLcounties.pdf

HOW THE COUNTY APPLIES PTELL



- COUNTY DETERMINES PRELIMINARY RATE (*based on your original levy*)
- COUNTY DETERMINES LIMITING RATE (*using statutory calculation*)
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Public Act 94-976

Automatically raise all fund-specific tax rate ceilings to their maximum statutory limit.

Must still limit aggregate levy to limiting rate notwithstanding sum of fund rate ceilings

*HB1578, HB587



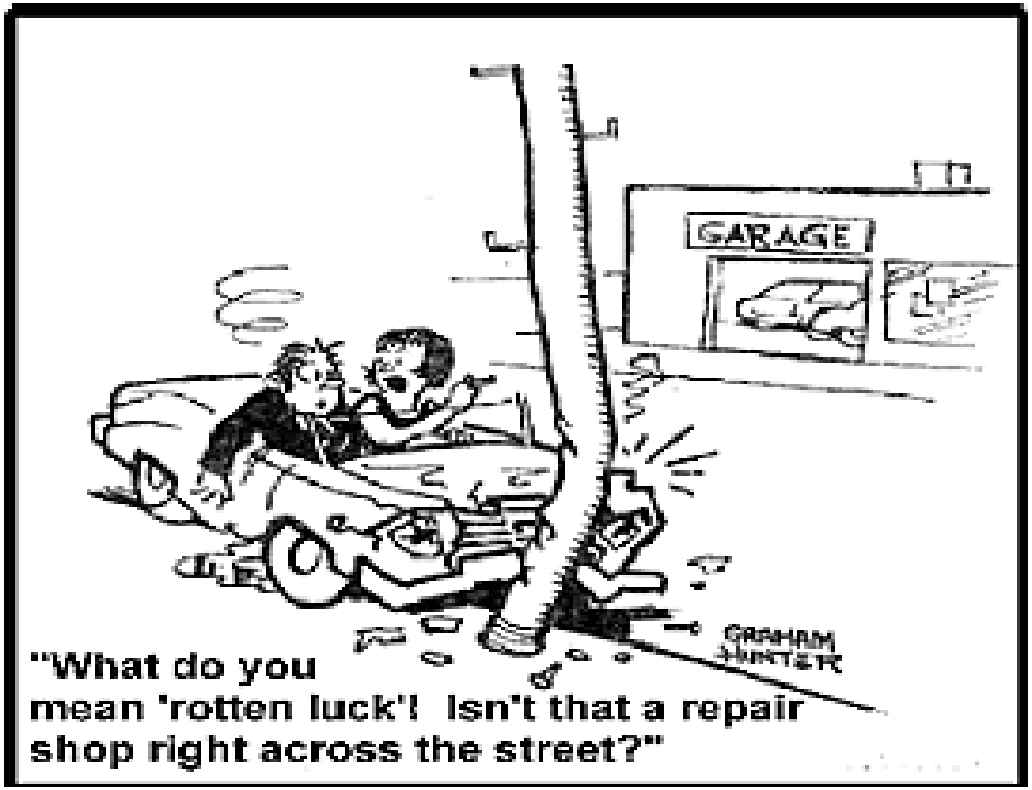
THERE IS A WAY OUT



NEW CONSTRUCTION

REFERENDUM

NEVER FORGET TO FILE THE LEVY



SANTA'S DEADLINE IS YOUR DEADLINE



FILE YOUR LEVY WITH THE COUNTY CLERK(S) BY THE LAST TUESDAY IN DECEMBER, OR ELSE!

THANK YOU!





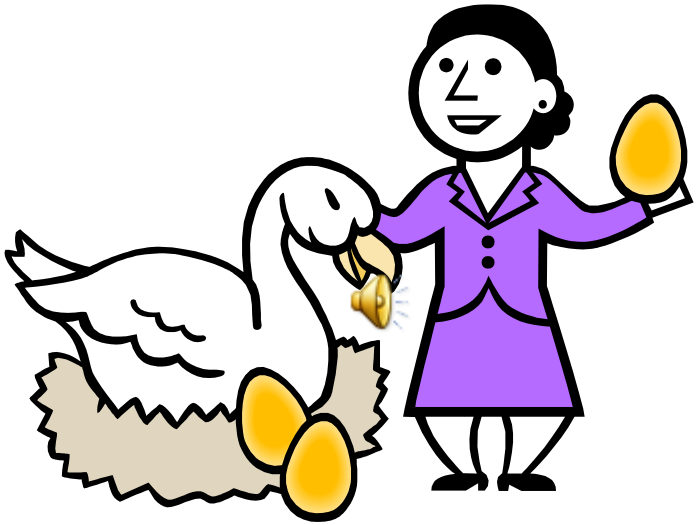
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