

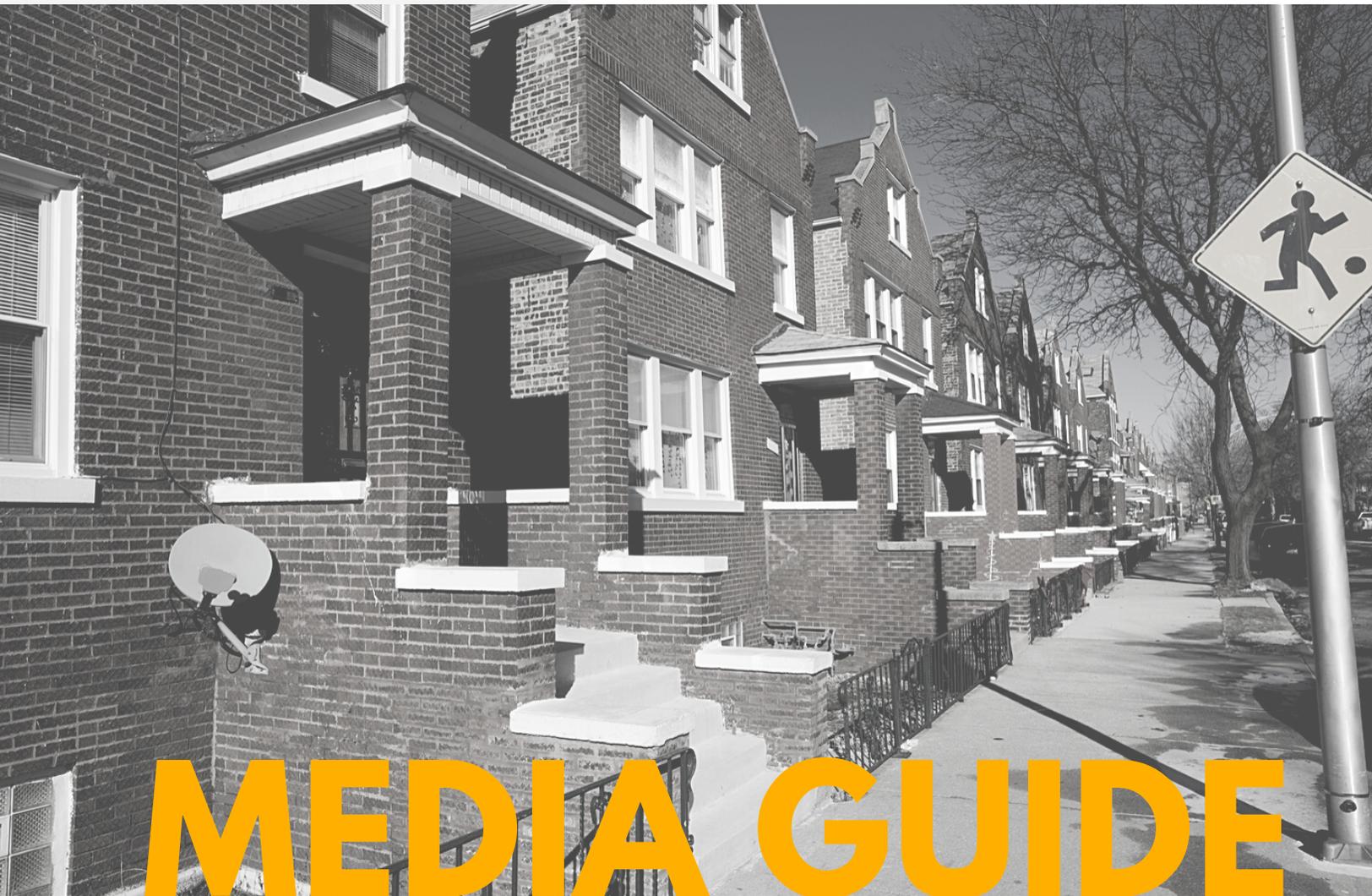
# COOK COUNTY ASSESSOR'S OFFICE



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## A REFERENCE MANUAL FOR THE COOK COUNTY NEWS MEDIA

2021



# COOK COUNTY ASSESSOR'S OFFICE MEDIA GUIDE

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# MESSAGE FROM THE ASSESSOR

Dear Media Representative,

I am pleased to provide you with the Cook County Assessor's Office Media Guide. I hope this booklet provides you with valuable information and resources in your reporting, analysis, and beat coverage.

Since beginning my term as Assessor, we have remained focused on creating a fair, ethical and transparent property tax system.



Our office has worked to develop better models for assessments and improved the sources of our data. We have also posted reports about our assessments publicly so taxpayers, appraising experts, and journalists, such as you, can independently check our work.

More than ever, it's important for an independent, vibrant, and free press to exist. Faith in our governmental institutions is only possible when citizens trust in them. Trust is only possible when citizens understand how government works and can see that elected officials deliver on their promises. All this is made possible through the work of journalists, writers, and analysts who can review and report on the inner workings of our office. I remain committed to an open dialogue with journalists, editorial boards, and commentators who hold me and my team accountable on our progress toward a more accurate, equitable, and transparent assessor's office.

Thank you for all that you do to help keep Cook County property owners educated and informed. Please know that our door is always open and let us know if we can be of assistance to you.

Sincerely,

*Cook County Assessor*

# QUICK RESOURCES FOR REPORTERS

- 2 Quick Resources for Reporters
  - 2.1. Commonly Requested Data from the Assessor's Office
  - 2.2. Media Opportunities with the Assessor's Office
  - 2.3. Cook County Media Contacts
  - 2.4. Defining Property Tax Terms

## 2. 1. Commonly Requested Data from the Assessor's Office

### Requests for Comment

Ssmith@cookcountyassessor.com  
Chief Communications Officer  
Scott Smith 312-603-7322 (o) 312-919-3213 (c)

### Speaking Engagements Requests

outreach@cookcountyassessor.com  
Director of Community Outreach  
and Engagement Kelwin Harris  
312-603-7310 (o) 312-898-4918 (c)

### How to Find a Property

Index Number (PIN)

To search for a PIN by address, visit [www.cookcountyassessor.com/address-search](http://www.cookcountyassessor.com/address-search). Input the house/building number (omitting the box that states house range), include the street name and the city and then hit search.

### Property Information

To obtain information about a property, visit our website at [www.cookcountyassessor.com](http://www.cookcountyassessor.com), scroll to middle of our home page and search by property index number (PIN) or address. Data available includes things such as assessed valuation, property characteristics, exemption history and status, appeal history, and Certificate of Error information.

# QUICK RESOURCES FOR REPORTERS

## **Assessment Mailings and Appeal Deadline Calendar**

Visit our website at [www.cookcountyassessor.com](http://www.cookcountyassessor.com) and pull down the menu for 'appeals' and then 'appeals calendar and deadlines' or visit the link below to directly access 2021 appeal filing dates by township, [www.cookcountyassessor.com/calendar](http://www.cookcountyassessor.com/calendar).

## **Freedom of Information Requests**

Requests for inspection or copies of public records for the media can be made online or in writing. Learn more here, [www.cookcountyassessor.com/foia-freedom-information](http://www.cookcountyassessor.com/foia-freedom-information).

## **2.2. Annual Media Opportunities with the CCAO**

### **Property Tax Exemption Application Period**

The property tax exemption application process begins in February for the various exemptions administered by the Assessor's Office. Exemptions applied this year are for the 2020 tax year and will be reflected on second-installment tax bills issued in 2021. For additional information regarding exemptions, please see section 6 in this report or visit our website: <https://www.cookcountyassessor.com/exemptions>



Late January / early February

### **Reassessment Mailings and Appeal Periods**

Reassessment of property in Cook County is conducted within a triennial cycle, meaning it occurs every three years. The CCAO alternates reassessments among north and northwest suburban Cook County, south and southwest suburban Cook County and the City of Chicago. This year in 2021, the Assessor is reassessing the City of Chicago, in 2022, north suburban Cook County and in 2023, south suburban Cook County. Property owners have a right to file an appeal even during a non-reassessment year. You may visit our website and pull down the menu for 'appeals' and then 'appeals calendar and deadlines' to obtain these dates or simply visit the link below to directly access 2021 appeal filing dates by township. [www.cookcountyassessor.com/calendar](http://www.cookcountyassessor.com/calendar)



March

# QUICK RESOURCES FOR REPORTERS

## Annual Report

Reflecting the assessment work of the previous year, the Annual Report collects information about changes to the county's tax base (especially the part of the county that was just reassessed), changes to the balance between residential and commercial properties' share of assessed value, and impact of exemptions. Accomplishments of the office and changes to operations are also explained. This is a resource for both market investors and Cook County property owners who are looking for transparency into assessments.



April, with a July addendum, which reflects the work of the Board of Review

## Second-Installment Tax Bill Mailing

The Cook County Treasurer mails second-installment tax bills in July with a deadline date in August. All exemption deductions and any changes in assessment from the previous year appear on second-installment bills. This is a good time to remind property owners to check their second-installment bills to ensure they are receiving all the money saving exemptions to which they are entitled. If they are not, they can apply for Certificates of Error with our office that will generate refunds for any missing exemption(s). (Additional information may be found in section 5.1 of this report).



July

## Completion of the Annual Reassessment and Appeals

The completion of that year's reassessment period occurs once all reassessment mailings are sent out and all appeals are received and processed. This process occurs over nine months and usually results in changes to size of the tax base (or assessed value) of the south/west suburbs, north suburbs, or City of Chicago, depending on the year. Though other steps in the property tax system also affect tax bills (like exemptions, appeals at the Board of Review, and the calculation of the tax rate by the Clerk), explaining assessment changes can help property owners become more informed about real estate sales trends in their area.



November

# QUICK RESOURCES FOR REPORTERS

## Market Analyst Day

Intended for commercial real estate owners, analysts, and investors, the CCAO holds this annual event in partnership with the City of Chicago. The event recaps the effects of that year's reassessment on commercial properties, describes the methodology used by the office, and explains recent changes in the City of Chicago's budget and levies. Additional presentations typically include a preview of data and trends that may affect the upcoming reassessment as well as new tools from the Office's Data Science department to create more accurate and fair assessments.



December / January

## 2.3. Cook County Media Contacts

### Cook County Assessor's Office

Scott Smith, Chief Communications Officer

[Ssmith@cookcountyassessor.com](mailto:Ssmith@cookcountyassessor.com)

312-603-7322 (o)

312-919-3213 (c)

For questions regarding residential, industrial/commercial assessments, vacant land, assessment appeals, property tax exemptions, incentives, divisions, consolidations, exempt property, erroneous exemptions and omitted assessments.

### Cook County President's Office

Nick Shields, Director of  
Communications and Public Affairs

[Nick.Shields@cookcountyl.gov](mailto:Nick.Shields@cookcountyl.gov)

312-603-3323 (o)

312-270-6761 (c)

For countywide issues or questions.

### Cook County Board of Review

William R. O'Shields, Chief Deputy Commissioner

[william.o.shields@cookcountyl.gov](mailto:william.o.shields@cookcountyl.gov)

312-603-4166 (o)

For questions regarding appeals filed with this agency.

# QUICK RESOURCES FOR REPORTERS

## Cook County Clerk's Office

Sally Daly, Deputy Clerk of Communications  
Sally.Daly@cookcountyil.gov  
312-603-0991 (o)

For questions regarding tax rates, expenditures of local taxing bodies, delinquent/prior year taxes due, suburban elections, marriage and death records; to obtain taxable consideration amount after a sale; copies of transfer tax declarations, tax liens, and data subscriptions.

## Cook County Treasurer's Office

Tom Corfman  
tcorfman@cookcountytreasurer.com  
312-603-6929 (o)  
312-919-2005 (c)

For copies of tax bills and questions regarding how to pay current year tax dollars due.

## 2.4. Defining Property Tax Terms

**Assess:** To place a value on property for tax purposes.

**Assessment Level:** The percentage at which property is assessed. Assessment Levels depend on a property's major class, and are set by Cook County Ordinance.

**Assessed Value:** Market Value multiplied by the Assessment Level.

**Equalized Assessed Value (EAV):** The assessed valuation, adjusted by the equalization factor.

$$\text{Assessed Valuation} \times \text{Equalization Factor} = \text{Equalized Assessed Value}$$

**Equalization Factor:** A number determined each year by the Illinois Department of Revenue to even out or "equalize," by county, assessed values across the state. It is also called the multiplier.

### **Exemption:**

Reduces a portion of the Equalized Assessed Value.

# QUICK RESOURCES FOR REPORTERS

**Improvement:** Any structure, addition or other product of labor attached, lying upon, or within the land that may not be removed without physical stress. Examples: buildings, fences, landscaping, driveways, sewers or drains.

**Incentive:** Reduces a property's Assessed Value, either by reducing its Market Value or changing its property class to one with a lower Assessment Level.

**Market Value:** What your property could sell for on the open market.

**Parcel:** A defined area of land, with or without improvements, entered as a separate item on the assessment rolls for the purpose of taxation.

**Property Index Number (PIN):** The description of a particular parcel by numerical reference to parcels on assessment maps. It is a 14-digit number. The first two digits refer to the geographical township; the second two, to the section in which the parcel is located; the next three, to the block number; the last three digits identify the parcels within the block.

**Tax Levy:** The dollar amount in real estate taxes requested by a taxing body.

**Tax Rate:** The result of dividing the spending request of a particular local government or school district by the total equalized valuation of all properties in that area.

# COOK COUNTY'S PROPERTY TAX SYSTEM

## 3 Cook County's Property Tax System

### 3.1. History of the CCAO

### 3.2. Property Tax Cycle

### 3.3. The Assessor's Role in the Property Tax System

### 3.4. How to Calculate a Property Tax Bill

### 3.5. Property Classifications and Levels of Assessments

### 3.6. Assessor's Office Departments

## 3.1. History of the CCAO

The Cook Assessor's Office has existed in its present form since 1932. Prior to that, assessments in Cook County were completed by a Board of Assessors.

The 40th Illinois General Assembly enacted a law, approved February 25, 1898, which created a Board of Assessors in any county containing 125,000 or more inhabitants. The Board consisted of five members, no more than four of whom could be residents of any one city.

The Board existed until a special session of the 57th General Assembly met in early 1932. There appeared to be a delay in Cook County of about fourteen months in determining the 1931 assessment. It was determined that the structure of assessment administration in Cook County, which included the five member Board of Assessors and a three member Board of Review, needed reorganization.

On February 13, 1932, the General Assembly approved a law that provided that in counties of 250,000 or more, the Governor and the President of the Cook County Board of Commissioners would appoint an assessor. That person was to hold office until the first Monday in December 1932 or until a successor was elected. The election of the Cook County Assessor was scheduled to take place in November 1934 and every fourth year thereafter. When the newly elected Assessor assumed office, the Board of Assessors was abolished.

## Assessors of Cook County

1932-1934

JL Jacobs

1934-1954

John S. Clark

1954-1958

Frank Keenan

1958

John McGuane

1958-1974

P.J. Cullerton

1974-1978

Thomas M. Tully

1978-1997

Thomas C. Hynes

1997-2010

James M. Houlihan

2010-2018

Joseph Berrios

2018-present

Fritz Kaegi

# COOK COUNTY'S PROPERTY TAX SYSTEM

## 3. 2. Property Tax Cycle

### Cook County Assessor's Office

Values close to 1.9 million properties for tax purposes.

Each year, this office reassesses one third of the the county.

The Assessor's Office also accepts and reviews assessment

appeals and administers property tax exemptions and

incentives. Further, the office is responsible for the division

and consolidation of properties and applying exempt and

omitted assessment status to properties.



### Cook County Board of Review

This is the next level of appeal. The Board of Review hears

appeals and determines if reductions in assessed value are

warranted.



### Property Tax Appeal Board

This is a third level of appeal. Taxpayers are required to file

with the Board of Review prior to filing an assessment

appeal with this state agency.



### Department of Revenue

The Illinois Department of Revenue analyzes the

assessments in every county throughout the state and

determines the state equalization factor. This factor is

then applied to those counties' assessments that fall

below the statutory 33 1/3 level of market value.



### Cook County Clerk

The Cook County Clerk reviews the municipalities' budgets

and determines the tax rates that should be applied to the

assessments based on the estimated expenditures by each

unit of local government.



### Cook County Treasurer

The Cook County Treasurer calculates tax bills, mails them,

and collects tax dollars.

# COOK COUNTY'S PROPERTY TAX SYSTEM

## 3.3. The Assessor's Role in the Property Tax System

The CCAO has three primary roles within the Cook County property tax system.

### 1 Valuing Property

For 1.8 million parcels of residential and commercial properties, the primary duty of the CCAO is to fairly and uniformly determine what a property is worth.

Per the Illinois Property Tax Code, each property in Cook County is reassessed every three years (35 ILCS 200/9-220) according to its Fair Cash Value.

Cook County follows a triennial reassessment cycle. A property's reassessment year depends on the location of the property. Townships

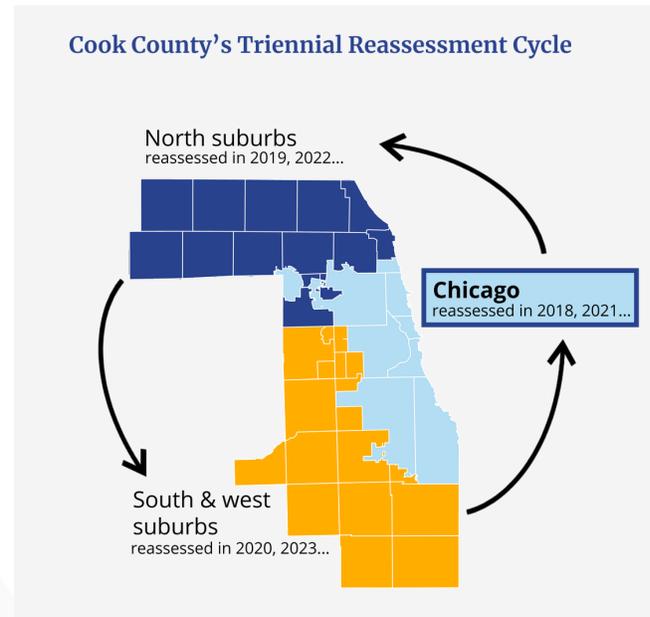
in the City of Chicago are being reassessed this year in 2021 and were last reassessed in 2018. Townships in the north and northwest suburbs were last reassessed in 2019 and will be reassessed again next year 2022.

Townships in the south and southwest suburbs were last reassessed in 2020 and will again be reassessed in 2023.

Other events might cause a change in assessment of an individual property in a non-reassessment year. If the CCAO is notified of a change to the property that may affect its assessed value, the CCAO's field staff will verify these changes and calculate a new, proposed assessed value for the property. The events that prompt these changes in assessment out of the triennial reassessment cycle may include things such as new construction, a division of a property, a fire, or a change in vacancy or occupancy status.

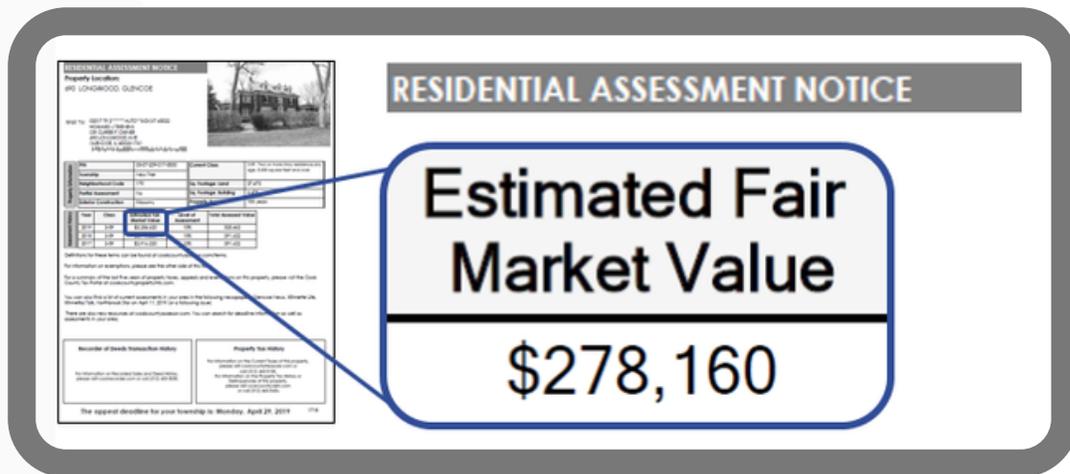
For all reassessments, the legal duty of the Cook County Assessor remains the same: to produce an updated market value for the property that is fair and accurate, relative to real estate activity.

When a property is reassessed, the CCAO sends a reassessment notice to the property owner, which contains the property's address, its characteristics, and its updated estimated Fair Market Value.



# COOK COUNTY'S PROPERTY TAX SYSTEM

When a property is reassessed, the CCAO sends a reassessment notice to the property owner, which contains the property's address, its characteristics, and its updated **estimated Fair Market Value**. In 2021, it will look something like this.



If the estimated Fair Market Value of the property does not appear to be fair and accurate, a property owner is encouraged to file an appeal.

## 2 Property Assessment

The taxable value of a property is a percentage of its Fair Market Value. That percentage depends on the property's use: residential properties, commercial properties, and commercial incentive properties all have different assessment percentages in accordance with the Cook County Code of Ordinances (Ordinance Chap. 74, Art. II, Div. 1, Sec. 74-31 et. Seq. and Div. 2, Sec. 74-60 et. seq.). To support neighborhood commercial development, the CCAO administers numerous incentives that reduce a property's taxable value by changing its assessment percentage for a set number of years. (See Section 6 for more information about this topic).

## 3 Taxpayer Exemptions

The CCAO administers homestead exemptions that yield property tax savings for homeowners, seniors, veterans, and persons with disabilities, in accordance with Illinois Property Tax Code Article 15. (35 ILCS 200/15-5, et.seq.). Our staff helps taxpayers gather the documentation necessary to show that their properties are eligible for these exemptions. Our office also enforces the Erroneous Exemption provisions of the Property Tax Code (35 ILCS 200/9-275), which are intended to deter taxpayers from claiming exemptions to which they are not entitled.

# COOK COUNTY'S PROPERTY TAX SYSTEM

## Other Duties and Responsibilities

The Assessor does not calculate tax rates or issue tax bills. The Assessor does play a key role in the fairness of Cook County's property tax system however. If the taxable value of property is not determined fairly, then corresponding property tax rates and bills will not be fair either—not just for an individual property, but for neighboring properties too. We also seek to help county residents better understand the assessment process and property tax system. Finally, our office establishes policies and collaborates with other government agencies in their efforts to promote economic development and the construction of affordable housing.

## 3.4. How to Calculate a Property Tax Bill

The Assessor's Office does not set tax rates, nor does it have jurisdiction over municipal tax levies, which are raised or lowered by taxing districts based on their annual budget needs. Assessments are also revenue-neutral, which means increases in the assessed value of a particular property or community do not increase the amount of money available to taxing districts. Our office's role in the property tax system is to divide the levy so that it is apportioned equitably, based on property assessments.

Think of it like a pie: Local taxing districts create the pie, while the Assessor's Office splits the pie up in an equitable way, based on property values. The size of property owners' pieces of pie is based on their share of the levy, as determined by the assessed value of the residential or commercial property they may own. (Admittedly, this pie is not one that people enjoy eating).

Property assessments are determined by the Assessor's Office. Property owners can file an appeal with the Assessor's Office or the Cook County Board of Review if the assessment appears to be incorrect. As noted elsewhere in this report, residential and commercial properties have different levels of assessment – usually 10% and 25%, respectively.

### **If a property is triennially reassessed (only every three years), why can a property tax bill change each year?**

First, the assessed value of a property or region might change. Property owners may be reassessed, appeals may be filed, new exemptions may be claimed, or new construction may occur in an area.

In addition, the equalizer, which is calculated each year by the Illinois Department of Revenue (IDOR), may change.

Finally, the local tax rate, which is applied to a property and calculated by the Cook County Clerk each year, can change if a taxing district needs more or less property tax revenue to cover its budget.

# COOK COUNTY'S PROPERTY TAX SYSTEM

## What is a levy?

Taxing districts must draft and pass an ordinance or resolution identifying how much revenue they wish to generate from property taxes each year. This ordinance or resolution is called a levy. All passed levies must be filed with the Cook County Clerk's Office by the last Tuesday in December.

The property tax levy of a taxing district covers the gap between its expenses and any other revenues the district receives. When taxing districts get new sources of revenue besides levies, they can lead to lower levies. Once the assessed value of an area is set, the IDOR applies an equalization factor.

After the equalization factor is applied, local tax rates are calculated by the Cook County Clerk. Although Cook County's property tax system can be confusing, the goal of the system is one of balance and responsibility; local municipalities must budget their property tax revenue needs first, and then the tax rate is adjusted to generate the tax revenue needed to meet the levy, based on the value of assessed property with the municipality. Instead of a fixed percentage, the tax rate is calculated every year so that what is collected by the Cook County Treasurer is no more or less, than what is requested by the taxing districts.

## How a Tax Year 2020 Second-Installment Property Tax Bill is Calculated

### 2020 Property Tax Levies

Levies are the total amount of property tax dollars budgeted by taxing districts to fund services, like schools, community health centers, and mosquito abatement. Levies are re-budgeted every year.



Each taxing district conducts a public hearing about its 2020 levy, then publishes and certifies it to the Cook County Clerk by December 2020.



### Your Local 2020 Tax Rate

In 2021, the Cook County Clerk calculates a 2020 tax rate for each taxing district using its levy and its base (2020 EAVs).

### 2020 Property Tax Base



#### Cook County Assessor's Office

- Estimates fair cash values of real property
- Processes assessment appeals
- Administers incentives and exemptions



#### Cook County Ordinance

- Transforms property values → Assessed Values



#### Cook County Board of Review

- Processes assessment appeals
- In 2021, finalizes the 2020 Assessed Values (AVs) used for property taxation



#### Illinois Department of Revenue

- In 2021, calculates Cook County's 2020 Equalization Factor. This transforms AVs → Equalized AVs (EAVs).



### Your 2020 Second-Installment Tax Bill

The Cook County Treasurer issues tax bills and collects payment. Collections are distributed back to your taxing districts to fund your local services. Tax year 2020 second-installment bills are issued in summer 2021.



# COOK COUNTY'S PROPERTY TAX SYSTEM

As noted above, increases in the assessed values of properties do not raise more money for taxing districts (e.g., municipalities, schools, parks). However, an increase in the equalized assessed value of an area can lead to a decrease in the overall tax rate, which can reduce the total tax bill of an individual property owner.

Therefore, the levy and the equalized assessed value of a geographic area are interrelated. They are both used to determine the tax rate of a property.

## 3.5. Property Classifications and Levels of Assessments

A property's assessed value depends on its fair market value and its level of assessment. In most of Illinois, all properties are required to have a 33.3% level of assessment, meaning its assessed value equals its market value x 33.3%. This used to be true in Cook County. However, since 1973, the Cook County Board has passed ordinances to set different levels of assessment depending on the property's use. The following covers the classification of most properties in Cook County. [1]

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Major Use Class	Description	Level of Assessment
<b>0: Tax-Exempt &amp; Railroads</b>	According to the Illinois Property Tax Code, many properties, such as churches and libraries, are not subject to taxation or are assessed by the Illinois Department of Revenue, such as railroads.	0%
<b>1: Vacant</b>	Vacant Land (1-00) and minor improvements on vacant land (1-90).	10%
<b>2: Residential</b>	Includes single-family homes, condos, residential land, licensed Bed & Breakfasts, apartment buildings with fewer than 7 units, and townhomes. Examples: <b>2-06</b> : Two-or-more story residence, over 62 years of age, 2,201 to 4,999 sq. ft. <b>2-99</b> : Residential condominium.	10%
<b>3: Multi-Family</b>	Includes larger multi-family buildings like rental apartments (and their garages).	10%
<b>4: Not-For-Profit</b>	Properties must submit applications to obtain class 4 not-for-profit status. Not-for-profit buildings include not-for-profit commercial buildings (4-17), theatres (4-27), and supermarkets (4-30).	20%
<b>5: Commercial and Industrial</b>	These non-incentive commercial and industrial buildings range from gasoline stations (5-23), to theatre (5-27), to banks (5-28), to downtown office buildings (5-91), to industrial buildings (5-93).	25%
<b>6, 7, 8, 9: Incentives</b>	Multi-family or commercial/industrial properties can apply with the CCAO for incentive status. Incentives typically phase in levels of assessment over a period of years.	Ranges from 10-20%

# COOK COUNTY'S PROPERTY TAX SYSTEM

A property with a higher level of assessment has a greater taxable value than a property with the same market value but lower level of assessment. The Assessor's Office administers incentives that permit a reduced level of assessment for some commercial and industrial properties. The goal of these programs is to promote economic development and neighborhood vitality. Read more about incentives in Section 5.2 of this report and at [cookcountyassessor.com](http://cookcountyassessor.com).

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## 3.6. Assessor's Office Departments

### Administrative Operations

The Administrative Operations Department supports staff through recruitment, retention and professional development. The department also acts as the financial steward of the office and leads customer service for Cook County property owners.

**What they do:** The Administrative Operations Department is responsible for Compliance, Personnel Services, Finance & Operations, Training Services, and Taxpayer Services. Compliance oversees the CCAO's compliance with the Shakman Agreed Order, our Employment plan, and the policies set forth in our Employee Handbook. Personnel Services oversees human resources, payroll and benefits, facilitates the CCAO employment plan and handbook, and handles employee and labor relations. Finance and Operations oversees the creation and implementation of our budget, contract review and negotiation, resource procurement and allocation, space and facility management, and supply management. Training Services oversees the training of all employees and directs the office's growing internship programs. Taxpayer Services administers and processes homestead exemptions, processes homestead certificates of error, and assists taxpayers with questions regarding the property tax system.

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[1] Definitions for other property classifications like C, L, S, and 10 can be found in Sec. 74-63 of the Cook County Property Assessment Classification Ordinance.

# COOK COUNTY'S PROPERTY TAX SYSTEM

## Communications and Outreach

The Communications Department strives to develop trust, transparency, and accessibility through outreach, education, and relationship building. The department does this by developing a more meaningful understanding of our office: in-person, online, and in print.

**What they do:** The Communications Department handles several functions that serve property owners throughout Cook County. Primarily, the department is responsible for outreach events where we assist property owners with appeals and exemption applications. We also prepare and organize speaking engagements for the Assessor and other staff in the office. We manage the content of our website and social media platforms, which assists people with answers to questions about property assessments, appeals, exemptions, and other services and address all press inquiries.

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## Data Science

The Data Science Department facilitates production of annual property assessments in Cook County by leveraging computing and statistical techniques to estimate the fair market value of residential property while using existing databases to generate insights into valuation processes.

**What they do:** The department maintains and improves the office's data, internally and externally, to increase its value to staff and property owners. Data Science also identifies opportunities to generate new valuable data and improve the data literacy of those who connect with its work.

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## Information Technology

The Information Technology Department provides a strategic vision, modern solutions, and a secure and reliable environment for all CCAO departments in order to deliver services, meet stated goals, and streamline processes.

**What they do:** IT oversees the technology functions of the office and provides support to all CCAO departments. There are four divisions in IT: System Administration monitors/maintains/administer all hardware, software and network needs of the office; Application Development creates, maintains, and enhances internal and public applications; Legacy Systems runs/programs applications in the county's AS400/mainframe property tax system; Records Management runs jobs to open and close property appeal periods, performs quality control of the system, and ensures timely assessment cycles.

# COOK COUNTY'S PROPERTY TAX SYSTEM

## Legal

The Legal Department advises the Cook County Assessor, deputies, and staff on federal, state, and local law to ensure the office executes its duties lawfully and ethically, while setting uniform and accurate assessments.

**What they do:** The Legal Department also is responsible for managing Freedom of Information Act (FOIA) requests, appeal dockets, assisting taxpayers with Certificates of Error and appeal questions, incentive classifications, property tax exemptions, and omitted assessments, and, investigating and issuing liens for improperly received homestead exemptions.

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## Policy

The Policy Department builds collaborative relationships with state and local government officials and community stakeholders.

**What they do:** The Policy Department strives to ensure good working relationships with other elected officials in and around Cook County, including state and municipal bodies as well as fellow county offices. By maintaining open door relationships with others in and out of government, we can facilitate smoother operations between and among our offices, and deliver better and more coordinated services to Cook County residents.

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## Valuations

The Valuations Department holds itself to a simple set of standards. They aim to ensure all assessed values are fair and accurate. Fairness, accuracy, and uniformity are at the heart of their mission.

**What they do:** The Valuations Department is responsible for the assessment of 1.8 million parcels of residential, commercial, and industrial properties. The Valuations Department also hears and considers appeals, and verifies and maintains property and sales data.

# VALUING PROPERTY IN COOK COUNTY

## 4 Valuing Property in Cook County

### 4.1. Residential Property

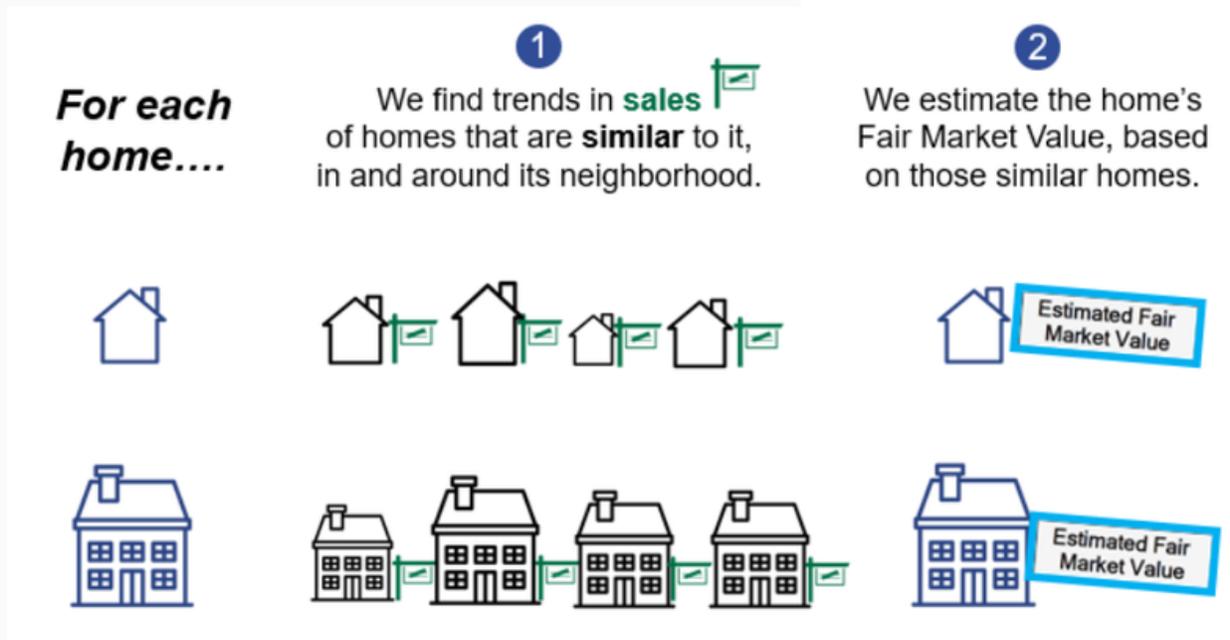
### 4.2. Industrial/Commercial Property

#### 4.1. Residential Property

Cook County is the largest market-based assessment jurisdiction in the United States. This means that during a reassessment year, the values of all properties are re-estimated based on recent trends in the real estate market. Buyers and sellers set prices for homes in arm's length transactions, and the Assessor's Office aggregates these market trends to impartially estimate the Fair Market Value of all homes being reassessed.

The Cook County property assessment system divides the county into three assessment districts. Each assessment district is further separated into townships, and each of those is divided into neighborhoods. Reassessment proceeds on a township-by-township basis.

**Here's how we use this sale data to estimate Fair Market Values of homes in Cook County:**



# VALUING PROPERTY IN COOK COUNTY

It starts with collecting sale data.

Each individual home's sale price reflects a unique combination of characteristics – such as square footage, age, and location. Our data systems attempt to screen out non arms-length transactions.

Mass appraisal leverages vast amounts of sale data to detect trends in how sale prices are affected by characteristics. Our office uses a Computer Assisted Mass Appraisal (CAMA)

system and skilled residential analysts to produce estimates of property values. Some neighborhoods have higher sale prices than others. . Smaller homes tend to have lower sale prices and larger homes tend to have higher sale prices.

The CCAO's CAMA system detects patterns in this data to estimate the dollar amounts of how each of these characteristics may have pushed sale values up or down. As a purely hypothetical example, say each +1 square foot for a building might on average add \$50 in value, each +1 year in age might subtract \$500 in value, and having a porch might add \$5,000 in value. Each of these estimates are part of a **model**.

The CCAO's code produces hundreds of different models, each using different methods to calculate how combinations of characteristics are associated with changes in sale values. (Note that sometimes a change in a characteristic might not be associated with a change in value for a given area, and the code can detect linear patterns like the above hypothetical example, as well as more complicated non-linear patterns).

We test each model's accuracy by comparing the model's estimate of a home's value (based on its characteristics) to its actual sale price. The code tests hundreds of different models to see which one produces the most fair and accurate estimates in accordance with international standards for best practices for fair assessment.

Once we have selected the best-performing statistical model, we use it to estimate the values of all individual homes - those with and without a recent sale - in a geographic area. The CCAO's analysts review these estimates, neighborhood by neighborhood, and correct individual properties' assessments as needed.

## CONDOMINIUMS

Condos are assessed slightly differently. Condo units transact individually in the market, and the CCAO collects sale data and develops models of patterns. However, in accordance with Illinois law, a condo unit's assessed value is a percentage of the total value of the building it is in. Therefore, we first determine the total value of the building, and then calculate the condo's value based on its percentage of ownership. A condo association's Articles of Incorporation state the exact percentage of building ownership for each unit.

# VALUING PROPERTY IN COOK COUNTY

After our analysts complete all reviews and update these property values, the initial values for that township are complete and the CCAO mails an assessment notice to the property's owner, containing the home's characteristics and initial value estimated by the CCAO.

## **Publicly Posting our Work**

We publish every line of code used to produce and evaluate our models of these home values. You can review the code for our residential models on GitLab, a platform that hosts open source code. We also regularly publish data sets to the Cook County Open Data Portal. If you're not someone who is comfortable with code, we still provide plenty of summaries of local real estate trends and the results of our assessment modeling.

We post reports on all residential and commercial assessments by township on our website at [cookcountyassessor.com](http://cookcountyassessor.com). Each residential township report shows home sale trends and assessment changes for every neighborhood. We also publish self-evaluation of our assessment quality, based on measurements developed by the International Association of Assessing Officers. Together, these reports show the accuracy of our work and provide property owners with data they can use to evaluate the accuracy of the assessments of their homes and neighborhoods.

# VALUING PROPERTY IN COOK COUNTY

## How Our Office Combines Experience, Data, and Technology to Estimate Your Home's Value

### 1 Collect market data

The CCAO collects data from the Cook County Clerk's Office about which homes have sold, their dates of sale, and their sale prices.



### 2 Conduct field inspections

The CCAO works with local municipalities to identify substantial changes in property characteristics, such as the addition of a garage. We verify and update those characteristics in our system.



### 3 Build models to estimate value

Characteristics affect sale values in different, often complex ways. In order to detect the many different ways that homes' physical characteristics and locations impact sale prices over time, we design a range of statistical and computer algorithms. These algorithms, called models, are similar to the kinds of models used by many private sector companies, like Zillow and Redfin. These models are designed to estimate hundreds of thousands of property values in a few hours.



### 4 Test models on market data

On average, some models are better at estimating sale prices than others. We test each model by providing it a set of homes and their characteristics and producing estimated values for each one. Then, for each model, we can compare these estimated values to actual sale prices.



### 7 Review, correct, and verify

Our analysts examine estimated Fair Market Values for different property classes, neighborhood by neighborhood, to verify that the model has performed effectively and that values fall in a reasonable range. If necessary, they make corrections.



### 5 Select the best valuation models

We analyze each model's accuracy by comparing its estimates to actual sale prices. We also measure the model's fairness using international standards for uniformity. We select the models that most accurately and consistently predict fair cash values.

### 6 Produce first estimates of all home values

During a reassessment, the CCAO must produce an estimated market value for every property in the triennial area. To accomplish this, we enter each property's characteristics and location into our best models, and the models return estimates of market value. By averaging the best estimates, we ensure fairness in our assessments.



### 8 Mail values

After these extensive stages of computer-assisted analysis of real estate data, mass appraisal of home values, and analyst verification, we print these estimated Fair Market Values on reassessment notices and mail these notices to homeowners.



# VALUING PROPERTY IN COOK COUNTY

## **What happens after reassessment notices are mailed to property owners?**

The CCAO's goal is that reassessment values are both fair and accurate. One barrier to an accurate reassessment can be out-of-date characteristics data. The CCAO is pursuing multiple, years-long initiatives to update and refine its database of property characteristics, including hiring more team members to review and update property characteristics. We continue to improve the accuracy and granularity of our data so our models can detect increasingly subtle trends in real estate patterns.

If the CCAO's property database reflects incorrect characteristics about a home, such as incorrect square footage, then even the best-performing model – one that produces estimates of values of other homes uniformly and accurately – can produce an estimate of value that is not within a reasonable range of accuracy for the home.

**Appeals** are meant to correct errors like the situation above. Assessment appeals can be filed with the CCAO and, later, with the Cook County Board of Review. For each appeal filed at the CCAO, our analysts review evidence submitted with the appeal along with their own analysis. We make a determination about whether an adjustment to the property's assessed value is merited.

## **Reasons for an appeal**

**Uniformity Appeal:** If property owners are concerned that the assessed valuations of their homes are not in line with the values of other similar homes, they should consider filing uniformity appeals. This comparison should be done with homes within their neighborhoods that closely resemble theirs in both size and style. If the assessed values of the comparable homes chosen are lower than the subject property, there may be reason to file an appeal. PINs for all properties should be noted on the appeal forms.

Comparable properties can be found online using interactive mapping on Cook Viewer. <https://maps.cookcountyil.gov/cookviewer/mapViewer.html>

Read the Assessor's guide to using Cook Viewer to select comparable properties here. <https://www.cookcountyassessor.com/find-comparable-properties>

If taxpayers do not wish to find comparable properties, analysts at the Cook County Assessor's Office will conduct the research for taxpayers while reviewing their appeals.

# VALUING PROPERTY IN COOK COUNTY

**Overvaluation Appeal:** If taxpayers believe the estimated market values and assessed values for their properties are too high, they may file over-valuation appeals. A taxpayer is encouraged to submit supporting documentation, such as a recent closing statement, a certified appraisal or the purchase price of homes similar to the subject property, along with the appeal form.

**Property Description Error Appeal:** If there is an error in the description of the property such as incorrect square footage of living area, an error in classification, or an error that may affect market value, an appeal may be filed. However, a minor error does not necessarily indicate an incorrect assessment.

## How to file an appeal

Property owners can check our website for 2021 filing dates and deadlines at the following link. <https://www.cookcountyassessor.com/calendar>

If a township is open for appeals, they can follow this link to file an appeal online: <https://www.cookcountyassessor.com/online-appeals>

For assistance, they can call 312-443-7550.

If they miss the deadline, they may file an appeal with the Cook County Board of Review. [www.cookcountyboardofreview.com](http://www.cookcountyboardofreview.com).

Because property taxes are paid in arrears, any change in assessment as a result of an appeal filed in 2021 will be reflected on the second-installment tax bill next year in 2022.

# VALUING PROPERTY IN COOK COUNTY

## 4. 2. Industrial/Commercial Property

As with residential property, the CCAO is charged with estimating the Fair Market Value of commercial and industrial property in a way that reflects the market.

**A property is used for commercial purposes if it is used primarily for buying and selling goods and services, or for otherwise providing goods and services.**

Commercial use includes real estate used for hotels, retail, offices, or multi-family apartment buildings of more than six units. Industrial property is used primarily in manufacturing or in the extraction or processing of raw materials to create new physical products. Other industrial uses could involve the processing of materials for recycling or the transportation, storage, or distribution of goods for sale or leasing. (See section 3.5 for more information on property classifications and uses.)

Unlike residential property, commercial property value depends on more than just location and characteristics like square footage; it also depends on the building-associated income (like rent), expenses (like maintenance), and vacancy. These numbers often vary for different business types (for example, apartments versus offices) in each township.

### Three Approaches to Valuing Property

Put simply, our office looks at commercial property the way a buyer would approach a market transaction: by examining its highest and best use through three valuation approaches:



Our office primarily relies on the income approach, with secondary support and consideration from the sales comparison approach. Sales are closely examined as part of our inputs and validations. In cases of new construction, a cost approach may be developed to estimate the value of the improvements.

Primarily relying on the income approach allows the office to closely reflect market practice and conditions, which tend to analyze properties based on income factors, and reflects changes in asset market conditions, such as interest rates and rates of return. Outside of estimating new construction, the cost approach is less helpful, as many commercial properties routinely trade well above their net book values (gross cost of construction minus depreciation) and many commercial properties grow in value over time, even as their net book values decline.

# VALUING PROPERTY IN COOK COUNTY

Assessors are mass appraisers and must develop mathematical models that consider these approaches to valuation with reasonable accuracy. These models depend on the collection, verification, and analysis of market data. They also depend on the uniform application of this data to the applicable property types. In doing so, assessors reflect a market that considers the relationship between property value and other supply and demand factors.

## **How our analysts produce property values of a commercial property**

First, our office determines a property's use by reviewing the property's history, including: property class, tenants, business, and external/aerial photography of the parcel. It is important to understand the property characteristics in order to properly group the property with similar or like-kind property types.

Then we examine the income generated by the property. Most often, rent is the primary source of income for commercial property. Other incidental income streams may include fees from parking or advertising signage.

Next, we examine market-level vacancy based on location and property type. Some level of commercial property vacancy is normal and expected. Commercial assessment reduction as a result of a property vacancy is recognized when a building is not serving its intended use due to conditions outside the control of the property owner, such as a casualty event or other localized factors. In addition, new construction that has not yet been leased is also considered. Finally, we look at expenses such as property taxes, insurance, repair and maintenance costs, property management fees, and service expenditures for professional services.

## **How our office uses market indicators to assess commercial property**

We don't have real-time income, expense, or vacancy information for every property, so we develop market estimates using reliable sources of market data that impacts value. We gather market data from many industry-specific sources such as CBRE, CoStar, Cushman and Wakefield, JLL, PWC, RERC, REIS and Trepp. In addition, we speak with local investors, appraisers, and other market participants to develop a sense of market-specific trends. While local trends may have some effects on cap rates, by using industry-leading sources as a guide, we provide the predictability and confidence necessary to support Chicago and Cook County's commercial real estate market.

## **How to file an industrial/commercial appeal**

Property owners can receive more information about filing appeals and how to file online at the following link:

<https://www.cookcountyassessor.com/industrialcommercial-appeals>

# PROPERTY TAX RELIEF WITH EXEMPTIONS AND INCENTIVES

## 5 Property Tax Relief with Exemptions and Incentives

### 5.1. Exemptions

### 5.2. Incentives

## 5.1. Exemptions

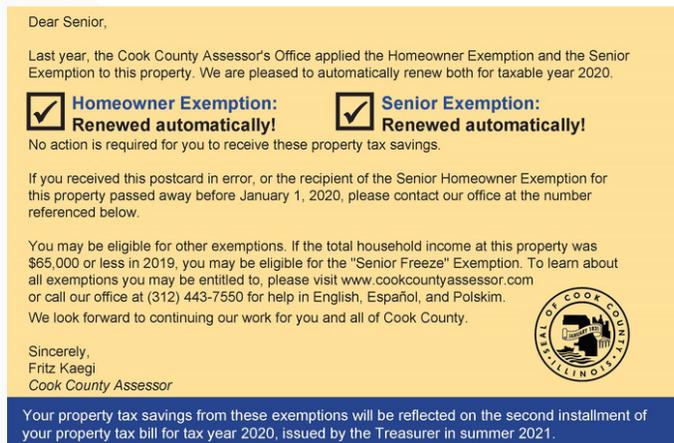
The Cook County Assessor's Office administers many property tax exemptions, such as the Homeowner Exemption, that can reduce a homeowner's property tax bill. The qualifications for every exemption and the amount of property tax savings are set by state law.

Homeowners may qualify for multiple exemptions. In many cases, homeowners only have to apply once – after that, some exemptions are automatically renewed. All property tax exemption savings are applied to the second- installment property tax bills issued every summer.

### Significant Administrative Changes

In 2019, the CCAO implemented significant changes to streamline the exemption application process.

One of the most notable accomplishments was the CCAO's automatic renewal of over 30,000 Senior Exemptions. This required a change to Illinois law, which was championed by Assessor Kaegi. The CCAO mailed confirmation postcards to qualifying senior households notifying them that their exemptions would automatically be renewed, saving them, both time and money. The CCAO also listed additional types of photo IDs taxpayers can use when applying for exemptions. The list now includes the City of Chicago ID Card, Matrícula Consular ID, US Military ID, and Refugee Travel Documents. This simple administrative change expanded access to exemptions to more property taxpayers.



# PROPERTY TAX RELIEF WITH EXEMPTIONS AND INCENTIVES

In 2020, the CCAO made it possible for property owners to apply for exemptions online for the first time. Online applications are free, more convenient for applicants, and more efficient for CCAO staff to process.

## Commonly Asked Questions

### When can an eligible taxpayer apply?

Exemption applications are accepted, renewed, and processed every year from February through April.

### Do exemptions need to be renewed every year?

Most property owners do not need to renew their exemptions. A homeowner only needs to apply for the Homeowner and Senior Exemptions once. These two exemptions are auto-renewed thereafter as long as there is no change in eligibility.

**Please Note:** In 2020, the Illinois state legislature proactively added one-year auto-renewals to support homeowners during the COVID-19 pandemic. Any eligible homeowner who received the Senior Freeze, Persons with Disabilities, or Veterans with Disabilities Exemptions in tax year 2019 (issued in 2020) will have these exemptions automatically renewed in tax year 2020.

### What if an exemption was missing from a second-installment tax bill?

If a property owner has paid a second installment tax bill in full, but it was missing an exemption they qualified for that tax year, the CCAO can help them correct this by filing a Certificate of Error. Certificate of Error applications for missed exemptions can be submitted in person or online with the CCAO. To learn more, visit [cookcountyassessor.com/exemptions](http://cookcountyassessor.com/exemptions) or call (312) 443-7550.

After the CCAO verifies the application, the Cook County Treasurer issues a refund check for the missed property tax savings.

# PROPERTY TAX RELIEF WITH EXEMPTIONS AND INCENTIVES

## Many Property Tax Exemptions Automatically Renew this Year

In February, hundred of thousands of homeowners will receive confirmation postcards or letters about their auto-renewed exemptions. The Assessor's Office also identifies households that may be newly eligible for exemptions (such as homes that recently sold before January 1, 2020) and homes that have not received an exemption in the last two years. The Assessor's Office mails Taxpayer Exemption Booklets directly to these homeowners. Additional information regarding all exemptions may be found by visiting the Exemptions page on our website at [cookcountyassessor.com/exemptions](http://cookcountyassessor.com/exemptions).



### Homeowner Exemption

Due Date: March 31, 2021

#### Automatic Renewal:

Yes, this exemption automatically renews each year.



### Senior Exemption

Due Date: March 31, 2021

#### Automatic Renewal:

Yes, this exemption automatically renews each year. Newly qualified seniors must file initial applications in 2021.



### Senior Freeze Exemption

Due Date: March 31, 2021

#### Automatic Renewal:

Yes, for tax year 2020 only, this exemption will automatically renew due to the COVID-19 pandemic. Newly qualified applicants must file an initial application in 2021.



### Persons with Disabilities Exemption

Due Date: March 31, 2021

#### Automatic Renewal:

Yes, for tax year 2020 only, this exemption will automatically renew due to the COVID-19 pandemic. Newly qualified applicants must file an initial application in 2021.

As a reminder, exemptions are applied and listed on the second installment property tax bill that is issued in summer of 2021.



### Returning Veterans Exemption

Due Date: March 31, 2021

#### Automatic Renewal:

No, this exemption must be filed annually.



### Veterans with Disabilities Exemption

Due Date: March 31, 2021

#### Automatic Renewal:

Yes, for tax year 2020 only, this exemption will automatically renew due to the COVID-19 pandemic. Newly qualified applicants must file an initial application in 2021.



### Long-Time Homeowner Exemption

Due Date: March 31, 2021

#### Automatic Renewal:

No, fewer than 2% of homeowners qualify for this exemption and applications are mailed to those properties that qualify each year.



### Home Improvement Exemption

Due Date: Not Applicable

#### Automatically Applied:

Yes, this exemption will be applied automatically upon filing a building permit for an improvement.



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[cookcountyassessor.com](http://cookcountyassessor.com)

TO APPLY ONLINE VISIT:  
[www.cookcountyassessor.com/exemptions](http://www.cookcountyassessor.com/exemptions)

# PROPERTY TAX RELIEF WITH EXEMPTIONS AND INCENTIVES

## Summer Savings from Property Tax Exemptions

The dollar amount of property tax exemption savings can change each year because tax rates can change each year. The local tax rate for each property is determined by the Cook County Clerk and is based on the revenue needs of local governing bodies each year. The second installment property tax bill issued by the Cook County Treasurer lists a home's local tax rate and exemption savings for that tax year.

TAX CALCULATOR			
2017 Assessed Value	24,882	2018 Total Tax Before Exemptions	8,680.62
2018 Property Value	248,820	Homeowner's Exemption	-1,198.50
2018 Assessment Level	X 10%	Senior Citizen Exemption	.00
2018 Assessed Value	24,882	Senior Freeze Exemption	.00
2018 State Equalizer	X 2.9109		
2018 Equalized Assessed Value (EAV)	72,429	2018 Total Tax After Exemptions	7,482.12
2018 Local Tax Rate	X 11.985%	First Installment	4,133.90
2018 Total Tax Before Exemptions	8,680.62	Second Installment +	3,348.22
		Total 2018 Tax (Payable in 2019)	7,482.12

To calculate savings from the Homeowner Exemption, multiply \$10,000 by a home's local tax rate that year. A property owner in the City of Chicago with a 2019 local tax rate of 6.803% saved \$680.30 from the Homeowner Exemption. In a different area of Cook County, a property owner with a 2019 local tax rate of 19.937% saved \$1,993.70 from the Homeowner Exemption.

## 5.1. Incentives

Incentives are special assessment programs designed to recognize properties that contribute in unique ways to the public good and bolster neighborhood vitality – especially in areas where there is a greater need for economic revitalization.

Incentives support affordable housing, rehabilitation and development of industrial and commercial properties, re-use of vacant properties, and preservation of historic landmark buildings.



Incentives encourage economic development by providing a lower level of taxation on a property's assessed value. Incentive programs are set in the Cook County Classification Ordinance and administered by the Cook County Assessor's Office and, in some cases, with the County's Bureau of Economic Development.

# PROPERTY TAX RELIEF WITH EXEMPTIONS AND INCENTIVES

Applicants seeking incentive classification status for a property must meet strict criteria set by Cook County. One requirement is the approval of the local municipal government. To qualify for the multi-family housing incentive (Class 9), for example, the property must be inspected and approved by a municipal building inspector.

Requirements like these help to ensure these 158 Class 9 properties – and others like it – support the public good by providing housing that is safe, clean, and affordable.

Additional information regarding incentives may be found by visiting our website: <https://www.cookcountyassessor.com/incentives-special-properties>