

Declining Assessments May Not Lead to Lower Taxes

The Cook County Assessor has announced the first-ever downward market adjustment of assessments for homeowners in 2009. “Each suburban township will receive an adjustment percentage which will lower the assessed values of all residential properties in that township,” according to Cook County Assessor James Houlihan. The reductions will range from 4% to 15% depending on market statistics in a given area.



While this adjustment will help to align assessed values with the weak housing market, most homeowners in New Trier Township will experience little tax relief from the change. It is easy to assume that an assessment reduction would result in a tax reduction, but the property tax system does not work like the income or sales tax systems.

The property tax system is more like a restaurant check you might split with friends getting together for an evening out. The restaurant doesn't care how you divide the bill as long as it is paid in full. In the property tax system, towns, schools, and other taxing districts basically create the bill to be paid by all the property owners in the district. Taxes (your share of the bill) are then apportioned according to the value of your property. Since the Assessor does not have the power to alter the bill itself, his ability to reduce taxes for all homeowners is limited. In fact, when the value of property falls, the property tax rates usually rise since property owners, as a group, still must pay the full amount of the tax check. However, since commercial and industrial properties will not be eligible for the lower assessments, homeowners' taxes could be reduced while commercial taxes could increase.

Noteworthy Points

- *Notices of reassessment will be mailed to each township during the year. As yet, New Trier Township has not been scheduled for mailing.*
- *You still have the right to file for a further reduction within 30 days of the mailing date if you are not satisfied with the adjustment. The Cook County Assessor's updated Website makes it easier than ever to file online (www.cookcountyassessor.com) and, as always, the New Trier Township Assessor will be available to help anyone who needs assistance in filing.*
- *This 2009 reassessment will not replace the triennial reassessment, which would normally occur in 2010. New Trier Township will in fact be reassessed again next year.*
- *Any reductions in assessed value that you may receive this year (2009) will be reflected on your fall bills in 2010, but will not extend beyond that year.*