

**PROPERTY TAX RELIEF TASK FORCE**  
**Subcommittee: Assessments & Exemptions**

Meeting Minutes  
Friday, November 15, 2019  
2:00pm

**James R. Thompson Center**  
100 West Randolph Street  
IDOR 7<sup>th</sup> Floor Media Room  
Chicago, Illinois

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**MEETING START**

Meeting Scheduled to Start: 2:00pm.

**AGENDA**

**I. Welcome/Roll Call**

- a. Representative Davis called the meeting to order.
- b. Roll Call was taken. Quorum was not met.

<b>Name</b>	<b>Present</b>
Representative Davis – Chair	Yes
Representative Didech	No
Representative Ford	No
Representative Greenwood	No
Representative Mayfield	No
Representative Mazzochi	Yes
Representative Meyers-Martin	Yes
Representative Ramirez	No
Representative Yingling	Yes
Senator Belt	No
Senator Ellman	No
Senator Martwick	No
Senator Righter	No
Senator Tracy	Yes

**II. Approve previous Meeting Minutes**

- a. Quorum was not met so no vote was taken to approve minutes.

**III. Setting Future Meeting Dates**

- a. The next Assessment meeting will be held November 22<sup>nd</sup>

**IV. Presentations**

- a. William O’Shields, Cook County Board of Review, Chief Deputy Commissioner and his colleague Timnetra Burruss, Chief of Staff for Board of Review Commissioner Larry Rogers, Jr. talked about their role in the assessment process and how it impacts the county and state. The process starts with the Cook County assessor’s office. The assessor

places a market value on every parcel in Cook County. If they feel the assessment is unfair compared to other properties, it can be contested at the assessor's office. A second opportunity to contest it is at the Cook County Board of Review, which is a Quasi-Judicial agency composed of three separately elected officials or commissioners. The 2<sup>nd</sup> district covers the North side of Chicago and suburbs; 3<sup>rd</sup> district represents the South side of Chicago and suburbs. The 1<sup>st</sup> district circles the city from South suburbs to North suburbs. The assessor's job is to make assessments comparable to other properties. The Cook County Board of Review takes into consideration: uniform assessments, recent sales and appraisals. The properties are broken down into residential, commercial and industrial. If a taxpayer is not satisfied with the result after the appeal, the next step to contest it is at the Illinois Property Tax Appeal Board (PTAB) or the Circuit Court.

- b. O'Shields highlighted possible improvements at the appellate phase. Last year they received 250,000 complaints, which is 540,000 parcels. Cook County adjudicated nearly 1/3 of all parcels. This consumes a huge amount of human resources, (over-time etc.). 1/3 of the complaints end up at PTAB 85% of statewide dockets are in Cook County. Cook County is the PTAB's largest stakeholder.
- c. It was suggested that a Chair for the PTAB be named which will improve the efficiency of the agency.
- d. Another suggestion is to invest in technology. PTAB is mostly a paper-based workflow. The Cook County Board of Review is a paperless or digital system which eliminates millions of pages of paper. They are one of the few Appeal Boards in the US that is a completely digital system.
- e. It was also suggested to implement a filing fee. PTAB did not exist until 1997. It was introduced to the city as an outlet for taxpayers who are not represented to contest their assessment for residential properties. Burrell clarified, PTAB needs a digital system that will interface with the Board of Review's existing system so both offices can be efficient. Shields suggested PTAB look at the Board's system.
- f. A suggestion was made to change the burden of proof. When PTAB looks at the Board's decision it has no weight. Illinois is a marketing state, which means, market value trumps any other evidence. The Board cannot offer a comparable appraisal to all cases at PTAB so they have to settle.
- g. It was suggested to modify the time the Board has to produce evidence. Would like to extend the appeals to 90 days from 30 days. Also, if the taxpayer exceeds \$100,000 assessed value. Currently the Board has to provide notice to the taxing districts. Substantial expenses are incurred by mail, etc. In circuit court the parties, not the court would have to notify the taxing districts. It was suggested the taxpayer notify the taxing districts and not the court. Burrell explained the Board of Review only sees a few appeals, they only see the appeals that are brought to the Board. They only look at the evidence that is presented to them.
- h. Representative Mazzochi said the burden of proof before the Board is supposed to be weight of the evidence. She is concerned the PTAB is disregarding the Cook County Board of Review. If one of the problems is the Board is not authorized to conduct independent appraisals. She is concerned that in any given assessment year they are getting appeals on roughly 1/3 of the parcels in the county. It seems the system is open to manipulation. She called for guidelines that allow for appeals to go before the Board that are "in-line". Commercial properties usually do not have the same degree of turn over or similarity when going from neighborhood to neighborhood. Feels there is not enough comparable when making assessments and evaluations. O'Shields replied that when using multi-families, the best valuation is actual rental income. He said they have to make a determination based on actual rental income presented and determine whether or not it

is market as well. He said also have to consider sales, especially if there is an appraisal, and they had access to sales and independent research.

- i. Mazzochi noted that on high dollar parcels, neither the Board or PTAB has subpoena power. This puts the Board at a disadvantage. At least by having other taxing districts notified, it gives the Board some help. She wanted to know if there is any recourse against appraisals that are routinely wrong. It puts the Board in an unfair position in terms of defending the quality of assessments. And, if in fact the PTAB taking the approach if a property owner comes in without an appraisal – they will obviously pay for a friendly appraisal if they don't like the appraisal they will get a 2<sup>nd</sup> or 3<sup>rd</sup> appraisal until they are satisfied. This encourages people to file appeals from the Board because you are hampered by the quality of evidence you can get while they can put their best foot forward. It is not a fair proceeding. This is an area that needs to be looked at and address concerns, which will get some of the cases out of the review process.
- j. Representative Yingling asked if an agreement with a property owner's assessment is a little higher than the appraisal. What would prevent them from accepting your offer and going to PTAB? O'Shields explained the settlement is negotiated when they are at the PTAB. They don't initiate settlements in preparation for PTAB.
- k. Yingling asked how are appeals divided up against the Board? O'Shields explained it is divided randomly through technology. They get through the appeals by having a committed staff. They do not have Holidays, they have mandatory overtime and often work Saturdays -- a 60-70 hour work week is normal. The process has to be completed by mid-May in order to have the 2<sup>nd</sup> installment tax bill. Each Commissioner has their own staff.
- l. Yingling asked what the percentage of residential property compared to commercial property comes before the board. O'Shields said it was roughly 70/30, the majority is residential. He explained (in response to Representative Mazzochi) that between 7% to 10% go to PTAB. He does not have data for a residential or commercial breakdown. Mazzochi also asked if there was any data on the total change in valuations before the PTAB. O'Shields and Mazzochi spoke about how individuals do not need an attorney to appear before the PTAB, but any corporation needs to be represented by a lawyer.
- m. Davis sought to recap O'Shields' testimony. He brought up the Cook County Assessor's bill to require more information from businesses. O'Shields said more information is always more helpful and often times the smaller businesses provide Schedule-E tax returns. He said he was unsure what exactly was in the Assessor's bill and did not comment on it. Mazzochi said that thought it made sense to have businesses in the central business district pay filing fees that they could use for appraisals. O'Shields said that before PTAB existed in 1997, the appellate path went through the Circuit Court which had a filing fee, which is about \$400. Mazzochi asked what kind of deference the Board of Review was given by the Circuit Court. O'Shields said not too much more.
- n. Davis asked O'Shields to clarify on his call for a chair. O'Shields said the chair is elected by PTAB Board members, that the board members are nominated by the Governor, and that there was one current vacancy. O'Shields said more resources were needed to modernize the PTAB and bring its computer system in line with other entities. He also said PTAB was suffering from a backlog which grows every year.
- o. O'Shields said that the commissioners at the Cook County Board of Review had not taken a position on the bill and he did not want to present one. Burrell said there are rules that the Board of Review follows and within the rules calls for taxpayers to turn over specific information. O'Shields said it is an income producing property they look at 3 years of I & E info. A residential property turns over an appraisal or sale documents.
- p. Yingling asked if the Board of Reviews have printing requirements in newspapers. O'Shields said they would look at what the costs are. They have to publish the opening

and closing of townships, and the final certification. In responding to Representative Yingling, he said he did not really think about it before as a money saving option.

- q. Davis said the purpose of the property tax relief task force was to reduce property taxes and asked for broad suggestions. O'Shields said he walked the subcommittee through efforts to reduce tax refund exposure. He said some refunds are so large they have to space out payments over years. Davis made the point that the fact that money is being refund shows a breakdown in the system from the beginning, and asked O'Shields if anything should be done on the front end to mitigate the effect on the backend. O'Shields said sometimes people just appeal property taxes not because they are wrong, but that they are appealing the payment. He said many appeals happen in the 2<sup>nd</sup> and 3<sup>rd</sup> year of the appeal cycle.

**V. New Business.** Davis said there was no new business.

**VI. Public Comment.**

- a. Spencer Staton spoke and recapped the work of the Assessments & Exemptions subcommittee. Cook County Assessor Kaegi talked about improving the trust and transparency of his office. Representative Didech spoke about changing the income tax property tax credit to improve fairness. BOMA talking about the Cook County classification system to enhance transparency. Andrea Raila talked about inequities in the exemption process. The Taxpayers Federation talked about the transparency and mean testing exemptions. Professor Merriman talked about giving public the tools to hold their elected official accountable and act as guardrails. Lasalle County Assessor Kennedy spoke about how township assessors were not doing their job and landlords gaming the exemption system. Then the subcommittee heard from the Cook County Board of Review. To recap, there are problems with assessments, exemptions, appeals. Staton suggested that the Department of Revenue had the purview to recommend changes to the system. He wanted to review best practices in other states. Staton believed trust and fairness were lacking. If the state was not going to engage in a huge tax shift from property to sales, then they could at least work on fairness and trust. Staton said the Cook County Assessor's office was doing better at transparency.

**VII. Adjournment.** Meeting ended at 3:40pm.