

CHAPTER 3-92
CHICAGO PROPERTY TAX LIMITATION

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This chapter shall be known and may be cited as the Chicago property tax limitation ordinance.

(Added Coun. J. 3-8-93, p. 29910)

3-92-020 Definitions.

Whenever used in this chapter, the following words and phrases shall have the following meanings:

(a) "Consumer price index" means the consumer price index for all urban consumers for all items, published by the United States Department of Labor.

(b) "Aggregate levy" means the annual levy of property taxes by the city for all purposes, with the exception of (i) amounts levied for the specific purposes of special service areas and (ii) those specific amounts levied for the years 2002, 2003 and 2005 to 2030, inclusive, for the benefit of the Chicago School Reform Board of Trustees of the Board of Education of the City of Chicago pursuant to an ordinance adopted by the City Council of the City on September 10, 1997, and (iii) for the purpose of determining the aggregate levies for the year 2008 and subsequent years, amounts levied for public library purposes which are separately stated on tax bills under Section 20-15 of the Property Tax Code 35 ILCS 200/20-15, plus adjustment for new property.

(c) "Adjustment for new property" means an amount equal to the product of the most recent property tax rate for the City of Chicago, as issued by the Cook County Clerk, times the sum of all new property in the most recent property tax levy, as issued by the Cook County Clerk.

(d) "New property" means the assessed value, after final action by the county board of (tax) appeals or county board of review, of new improvements or additions to existing improvements on any parcel of real property that increase the assessed value of that real property during the levy year multiplied by the equalization factor issued by the Illinois Department of Revenue under Article 17 of the Illinois Property Tax Code, as amended, 35 ILCS 200/17-1, et seq. "New property" also includes any increase in assessed valuation of existing property caused by the expiration of reduced assessments under the Cook County Real Estate Classification Ordinance.

(Added Coun. J. 3-8-93, p. 29910; Amend Coun. J. 10-1-97, p. 53822; Amend Coun. J. 3-31-04, p. 20916, § 4.20; Amend Coun. J. 11-13-07, p. 15814, § 1)

3-92-030 Limitation.

The city shall not certify to the county clerks of Cook and DuPage Counties an aggregate levy in one year that exceeds the aggregate levy of the prior year by more than the lesser of (a) five percent; or (b) the percentage increase in the annualized Consumer Price Index during the 12-month period most recently announced preceding the filing of the preliminary budget estimate report. Such limitation shall not reduce that portion of each levy attributable to (a) the greater of (i) for any levy year, interest and principal on general obligation notes and bonds of the city outstanding on January 1, 1994, to be paid from collections of the levy made for such

levy year, or (ii) interest and principal on general obligation notes and bonds of the city up to an amount not to exceed the amount of interest and principal payments on the city's general obligation notes and bonds during the period beginning January 2, 1993, and ending January 1, 1994; (b) payments by the city under installment contracts or under public building commission leases for the retirement of bonds issued by the commission to pay for the subject properties, not to exceed the amount of such payments during the period beginning January 2, 1993, and ending January 1, 1994; or (c) payments due as a result of the refunding one or more times of any of the foregoing. The amounts described in clauses (a), (b) and (c) of the preceding sentence shall be subject to annual increase in the same manner as the aggregate levy. If the city reduced its aggregate levy for the last preceding levy year, the highest aggregate levy in any of the last three preceding levy years shall be used for the purpose of computing the limiting amount. Nothing in this ordinance shall be construed to impair any contract executed prior to the effective date of this ordinance.

(Added Coun. J. 3-8-93, p. 29910; Amend Coun. J. 3-31-04, p. 20916, § 4.21)

3-92-040 Merging and consolidating taxing districts; transfer of functions.

If the City of Chicago merges or consolidates with one or more other taxing districts, the sum of the last preceding aggregate levies for each taxing district shall be combined for the resulting merged or consolidated taxing district. If a function performed by another taxing district is transferred to the city, then the portion of the transferor taxing district's most recent aggregate levy attributable to the transferred function shall be added to the city's aggregate levy for the year of the transfer. If a function performed by the city is transferred to another taxing district, then that part of the aggregate levy of the city attributable to the transferred function shall be deducted from the aggregate levy of the city for that year.

(Added Coun. J. 3-8-93, p. 29910)

3-92-050 Disconnected territory.

If a portion of the city's territory in the prior levy year has been disconnected, for purposes of computing the limitation on the city's levy, the aggregate levy shall be adjusted by multiplying it by a factor, the numerator of which is the prior levy year's equalized assessed value of property remaining in the city and the denominator of which is the prior levy year's equalized assessed value of the entire city. This adjustment to the aggregate levy will be made before any adjustments under Section 3-92-060.

(Added Coun. J. 3-8-93, p. 29910)

3-92-060 Annexed property.

If property is annexed into the city during the current levy year, for purposes of computing the limitation on the city's levy, the aggregate levy shall be adjusted by multiplying it by a factor, the numerator of which is the sum of prior levy year's equalized assessed value of all property located within the city prior to the annexation, plus the prior year's equalized assessed valuation of all property located within the annexed territory, and the denominator of which is the prior levy year's equalized assessed value of the entire city.

(Added Coun. J. 3-8-93, p. 29910)

3-92-070 Tax increment financing districts.

Levies allocable to a special tax allocation fund and the amount of taxes abated under Sections 162 and 162e of the Revenue Act of 1939 are not included in the aggregate levy when computing the limitation on increases from year to year.

(Added Coun. J. 3-8-93, p. 29910)

3-92-080 Certification of new property.

In order to ensure compliance with this chapter, the city comptroller each year shall obtain from appropriate officials of Cook and DuPage Counties the assessed value of new property within the city for that year.

(Added Coun. J. 3-8-93, p. 29910)

3-92-090 Rules.

The city comptroller shall promulgate reasonable rules relating to the administration of this chapter.

(Added Coun. J. 3-8-93, p. 29910)