

Levy Chapter 3:



New Property Growth and the Levy

"TAX CAP" OPERATING FUND LEVY LIMITATION

CPI-U



NEW PROPERTY GROWTH

OPERATING FUND LEVY LIMITATION/ "TAX CAP"

New Property Growth



- Accounts for new developments and additions/improvements that have not previously been on tax rolls
- Properties in a TIF are levied as new property growth in the year that the TIF expires
- New property growth that is not captured shifts burden to existing taxpayers
- New Property is calculated as the assessed value of these property changes multiplied by the state equalization factor



D211 has averaged 0.4% annual new property growth over the past 5 years



New Property is estimated at 1% for 2019 Levy including TIF expiration

Tax Increment Financing (TIF)



- ❧ Tax Increment Financing (TIF) is a financial tool widely used by municipalities and counties to promote economic development and redevelopment.
- ❧ The use of TIF is intended to generate economic development activity that would not have occurred “but for” the incentives offered



TIFs in D211



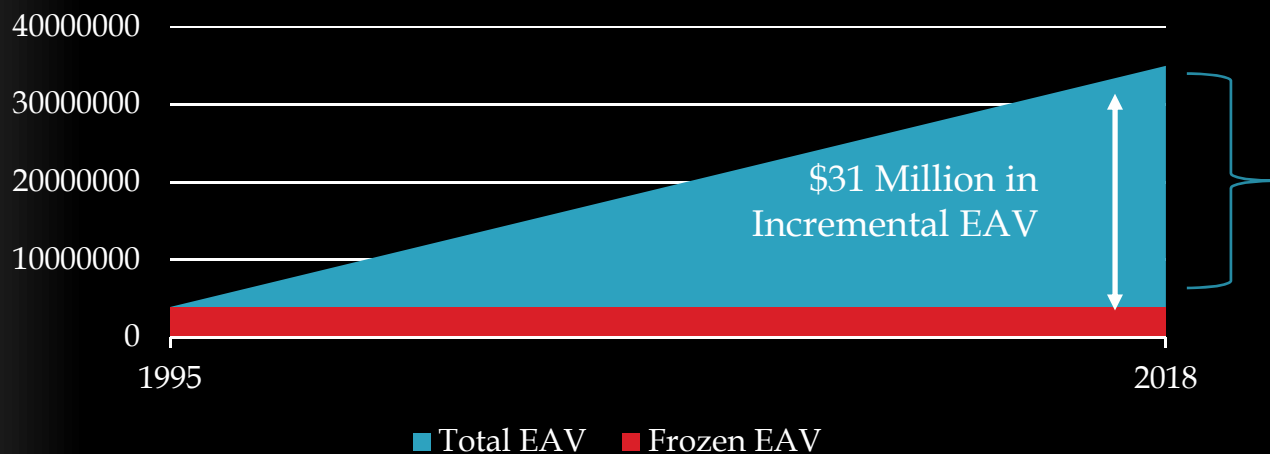
Village	TIF Name	Designation Date	Expected Expiration Date
	Devon/Rohlwing	2001	2024
	Irving Park Road Corridor-#4	2005	2028
Hoffman Estates	Barrington/ Higgins	1986	2021
	Golf/ Higgins/ Roselle	2003	2026
	Higgins/ Hassell	2012	2025
Palatine	Downtown	1999	2022
	Rand/ Dundee Center	1997	2020
	Rand/ Lake Cook	2012	2035
	Rand Corridor	2002	2026
	Dundee Road	1995	2018
Roselle	N. Roselle Road Corridor	2015	2038
Schaumburg	North Schaumburg	2014	2037

The Palatine Dundee Road TIF expired in 2018 and will be added to the tax rolls in the 2019 tax year

TIF Expiration



EAV Growth over Duration of Dundee Rd. TIF



This incremental EAV equates to more than \$900,000 in new property growth revenue for District 211 in 2019 tax year

New Property Impact on Levy



- ❧ New property growth is calculated as the assessed valuation for the new development multiplied by the state equalization factor
- ❧ New property growth may only be captured as part of the levy revenue by taxing bodies in the year in which it is added to the tax rolls
- ❧ Revenue as new property provides a one-time opportunity for taxing bodies to collect funds for the added costs that developments may add (i.e. housing development may increase student body and associated costs)- in future years, these properties are subject to the increase in CPI-U only
- ❧ New Property levied does not impact existing taxpayers

Impact to Taxpayers

