

# OAK PARK ASSESSED VALUES INCREASE BY 28%

Article by Ali Elsaffar, Oak Park Township Assessor



In April of 2023, Oak Park property owners received reassessment notices from the Cook County Assessor's office reflecting the Assessor's estimate of the value of their properties as of January 1, 2023.

*The median assessed value for Oak Park homes and condominiums increased by 28%.*

The increases in the 2023 assessed values are partially due to the strengthening of the real estate market since the last reassessment three years ago. But they also reflect the county's 2020 response to the Covid pandemic, which reduced the assessed values of many residential properties to below-market levels. The stronger market and the end of the Covid reductions are major factors leading to this year's 28% assessment increase.

## Interest rates have increased significantly. Shouldn't my assessed value go down?

During the pandemic, interest rates were reduced to record lows, which helped fuel an increase in property values in recent years. But interest rates began to increase in March of 2022, and have continued since then. Higher interest rates increase the cost of home ownership, and the higher housing costs have either slowed the growth in property values or caused values to decline. Even with increased interest rates, however, property values in 2023 are higher than they were in 2020. This is reflected in the increased assessed values for 2023.

## If my assessed value increased by 28%, will my taxes increase by 28%?

**No.** Property taxes are primarily driven by the tax levies of local governments, and state law limits tax levy increases to around 5% in most cases. But, reassessment can cause the taxes on some properties to go up by more than the increase in tax levies.

## Reassessment Facts at-a-Glance



Reassessment notices were mailed in April, with a thirty-day appeal period following. **The appeal deadline is May 15, 2023.**



The Township Assessor's office can help property owners prepare and file appeals.



The impact of the 2023 reassessment will not appear on tax bills until the summer or fall of 2024.



The median assessment increase for homes and condominiums is 28%.



A residential property's assessed value is 10% of its market value.



Assessment appeals seek to reduce a property's assessed valuation by claiming that its assessment is unfair or inaccurate.

## Get Help with an Appeal

During the thirty-day appeal period that begins after reassessment notices are mailed, additional staff will be working for the Oak Park Township Assessor's office to assist taxpayers wishing to file appeals. Most appointments will be conducted over the phone during business hours, but evening and weekend appointments will also be available.

**Call the Township at (708) 383-8005 in advance to set up an appointment.**



## Reassessment 101



Filled with figures, formulas and factors, the property tax system can be very confusing. But at its core, this complex system has just two components. The first component is the combined tax levy of all local governments serving Oak Park (total tax burden), which typically rises each year. The other component is each property's share of the total tax burden, which is adjusted at every reassessment. When the 2023 reassessment impacts tax bills in 2024, bills will reflect an increased total tax burden as well as shifts in each property's share of the tax burden.

### Total Property Taxes for Oak Park

Oak Park's tax burden consists of the tax levies set by Oak Park schools, Village government, and other local taxing districts. The local tax burden totaled about \$233 million last year.

The total tax burden is a key number in determining how much you pay in taxes, but it has nothing to do with reassessment. If Oak Park's tax burden were \$116 million instead of \$233 million, every property owner's tax bill would be cut in half, regardless of the decisions of the county assessor's office.

But Oak Park's tax burden is not likely to decline, as local taxes pay for services the community supports. Indeed, it is more likely that the burden will increase.

Tax increases, however, are generally limited to the lesser of 5% or the rate of inflation. With recent spikes in inflation, tax increases for most local governments will be limited to 5%. This would correspond to a tax increase of about 5% for each property if there were no reassessment.

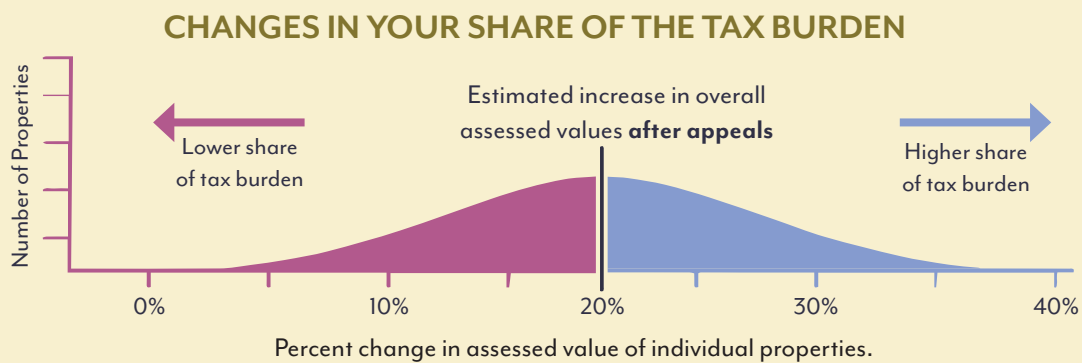
### Your Share of the Property Taxes

Every property pays a small portion of the total tax burden. For example, a property valued at 1% of Oak Park's total assessed value will pay 1% of Oak Park's taxes.

Since real estate values change over time, reassessments adjust assessed values to reflect the current market. If a reassessment leads to a change in an individual property's share of the tax burden, there will be a corresponding change in its tax bill.

The key to determining whether there has been a change in your property's share of the tax burden lies in comparing the percent increase in your property's assessment to the increase in the overall assessed valuation of all Oak Park properties.

If the overall increase in Oak Park assessed values were 20% after adjusting for appeals, properties with assessment increases above 20% would pay a greater share of the tax burden. Properties with assessment changes below 20% would pay a smaller share.



## Grounds for an Assessment Appeal

- 1 Lack of uniformity.** Similar properties should be assessed similarly. To substantiate an appeal based on lack of uniformity, it is necessary to find properties comparable to yours that have lower assessed valuations. The Township Assessor's office can help you find comparable properties quickly and easily.
- 2 Errors in property characteristics.** Every residential property has a set of characteristics which determine its assessed value. Errors in characteristics can be appealed. The type of error most likely to result in an assessment reduction is one that overstates the interior square footage of your property.
- 3 Recent purchase or appraisal.** If the property value set by the Cook County Assessor is higher than a recent purchase price or recent appraisal for your property, an appeal may be successful.