

# **REASSESSMENTS AND PROPERTY TAX COLLECTIONS DURING COVID CRISIS**

Like so much else during the crisis caused by the ongoing pandemic, property values can be affected. That, in turn, can impact property tax assessments and taxpayer appeals in the Property Tax Appeal Board and in the courts. This is especially true for commercial and industrial properties whose businesses have seen reductions in volume as a result of the stay-at-home orders issued by the Governor.

It is important to note that a decrease in property values is not always a detriment to taxing bodies. To the extent that the Assessor can automate these changes and encourage taxpayers to not file actions with the Property Tax Appeals Board or the courts, it means that taxing bodies should face fewer refunds and less revenue loss than they might otherwise.

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In Cook County, the Assessor has made it clear that his office will reconsider the value of every property in the County based on the impact of the novel coronavirus. Typically, properties in Cook County are reassessed on a triennial basis. In 2020, the Assessor is scheduled to reassess townships located in the south and west suburbs – some of which have already been completed.

Moreover, according to the Cook County Assessor's office, any township that has not already been reassessed will have any change in property value due to the coronavirus automatically taken into account. Those townships set for reassessment in 2020 will receive notice of an adjustment or may have a reassessment performed automatically. The Assessor has indicated that north suburban and Chicago properties will automatically receive notices about adjustments to assessed values based on the coronavirus regardless of whether an appeal is filed. Commercial property owners have been encouraged to use the Assessor's online portal to provide information on changes in rent and expenses to assist with valuation.

All assessment officials outside of Cook County whom we contacted have indicated that they are examining the data, just as they have from changes after other major events that impacted the real estate market. It is unknown exactly how they plan on quantifying changes in value, but it appears likely that the majority of properties will see their assessed value decrease.

Of more concern, we have also found that some counties have started a process to either delay collection of property taxes or waive penalties for late payments. In DuPage County, the county board passed an ordinance that waives penalties when a property owner meets certain requirements (including a loss of job, significant loss of income, inability to collect rent, or a business that was closed for being “non-essential”). The Will County Treasurer has also indicated that its office has received requests from taxpayers for similar assistance. At this time, the Will County Board has not passed a similar ordinance, but there are calls by some for that to happen. News stories suggest that certain legislators may also seek legislation to delay property tax payment dates; however, no bills to that effect have advanced at this time.



Any change in property tax due dates could lead to concerns for taxing bodies. School districts are at the mercy of the county treasurers to receive local property tax revenue and any delay could mean that districts would run into cashflow issues.

We will continue to follow these matters in the coming weeks. If you have any questions, please do not hesitate to contact any of our attorneys.