

# HOW TO APPEAL YOUR REAL ESTATE ASSESSED VALUATION

BY: JAMES R. GARGANO, JR., CRP, IFAS

In Illinois, homeowners have one opportunity per year to reduce their real estate liability by appealing the assessed valuation of their property. That window of opportunity is in the Fall. This document outlines the proper procedures by which a successful tax appeal may take place. In various counties and townships within the counties, there are vernacular differences, but the basic process is generally the same.

In Du Page County, properties are comprehensively re-assessed as opposed to the lesser modifications which are made on an annual basis during non-quadrennial years. The individual township offices will be publishing their revised assessments sometime between the 3rd Quarter and through the end of a given year. The notification to the taxpayer will be by regular mail and legal notice in a local newspaper. Please contact your local township assessor's office for the specific publication and/or mailing date. Once the notice has been published or sent, the taxpayer has 30 days to perform an appeal.

## **There are three basic ways in which real estate assessed valuations can be appealed:**

### **1. VALUATION**

Since real estate taxes are paid in arrears, the assessor's opinion of market value is based on the value of the subject property as of January 1, 2004. Assessed valuation is expressed as a percentage of market value. In DuPage County, the assessed value is expressed as 33.33% of market value whereas it is 16% in Cook County. Once the assessed valuation is expressed, divide it by the appropriate factor to determine the assessor's estimate of market value.

If the assessor's estimate of market value is lower than the true market value, there is no legitimate basis for an appeal under this method. However, if the assessor's estimate of market value is higher than the true market value of the property, you may have a basis for appeal. If so, the burden of proof is for the taxpayer to demonstrate through market data (comparable sales) that the assessed valuation is overstated. Generally, all comparable sales must have closed before January 1st of the year in which one is protesting a tax bill. The comparable sales must be of similar character to the subject. Consult with your township's deputy assessor to pinpoint criteria for comparable selection. Another option is to hire a real estate appraiser who has specific expertise in this field.

### **2. INEQUITY (DuPage County) or UNIFORMITY (Cook County)**

This approach is not reliant on value. Rather, the taxpayer must demonstrate that there has been significant inequity or lack of uniformity in the valuation process. It must be shown through a preponderance of evidence that superior properties in a similar location have lower assessed valuations. This process is seldom used because it is labor intensive. Rarely does it result in a successful appeal. Moreover, even if inequity or lack of uniformity can be proven, the assessor's office has the right to increase the assessed values the comparable properties as opposed to reducing it on the subject property.

### **3. MAJOR ASSESSOR ERROR.**

If the assessor's records have incorrectly noted a significant physical characteristic of the subject property, this is usually a basis for an appeal. For example, if you have a 2,000 square foot house and the assessor recorded your residence at 3,000 square feet, show proof of the error for correction. This method of appeal need not occur during the 30 day window of opportunity during re-assessment. After you have prepared your written appeal, it is best to speak with the deputy assessor who is familiar with your neighborhood. During this informal meeting, the deputy has the discretion to modify the assessed valuation on the spot. If he or she does not agree to the meeting or declines your appeal, you may schedule a formal hearing with the Board of Review. This is a small tribunal to whom your case is presented, both in written and verbal forms. Their decision is mailed to you.

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An additional layer of appeal is afforded to those who are not satisfied with the decision of the Board of Review. This is the Property Tax Appeal Board (TAB), a state level body. While most assessed valuations are fair, accurate and reasonable, there are some which are not. In those cases, investigation and appeal are recommended.

While the general appeal processes have been outlined herein, the practices of the individual assessors' offices prevail. As such, taxpayers are encouraged to thoroughly read the notices of reassessment as well as the instructions published in the legal notices.