

ASSESSING THE CURRENT PROPERTY TAX FREEZE LEGISLATION

Republicans and Democrats each have proposed current legislation regarding a property tax freeze, as the two (2) parties attempt to negotiate the State's budget. The Democrats' legislation, Senate Bill 0318, has passed the Senate and is waiting to be voted upon by the House. The Republican legislation, Senate Bill 1046, has not yet been adopted by the Senate.

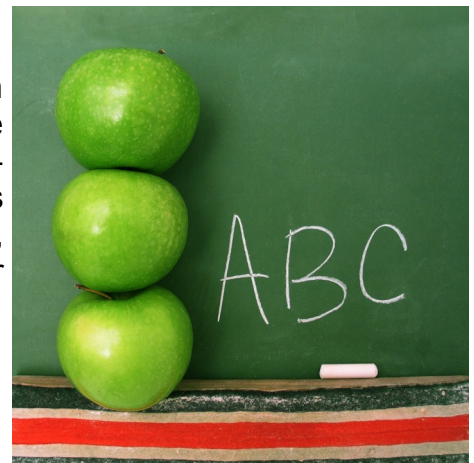
This proposed legislation and the impact these bills would have on future revenues of school districts would be profound. We have prepared a summary regarding how the respective bills would indeed "freeze" property taxes. There is some confusion at this point regarding whether school district's levies will be frozen, whether extensions of school districts will be frozen, or whether assessed valuations will remain frozen for a period of years.

Both Senate Bill 0318 and Senate Bill 1046 focus on the "Extension Limitation" portion of the PTELL limiting rate calculation, which presently is the lesser of 5% or the increase in CPI, whichever is less. Senate Bill 0318 would "freeze" the Extension Limitation at 0% (or the amount as set by a successful referendum to increase the Extension Limitation) over the 2016-18 levy years depending on whether a taxing district is located in Cook County or outside it. Senate Bill 1046 would permanently amend the Extension Limitation to be 0% (or the amount as set by a successful referendum to increase the Extension Limitation.)

Click the link below for a full summary of the current legislation:

[Assessing the Current Property Tax Freeze Legislation Summary](#)

For more information about matters discussed in this issue, please contact any one of the KTJ School Law Attorneys.



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