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Property tax rebates in store for downtown property owners

Commercial property owners in downtown Oak Park are in line to receive a rebate directly from the Village to correct an error in their property tax bills that are expected to arrive as early as this week.

A tax abatement approved by the Village Board and submitted to the county in March that would have reduced the levy within the Downtown Special Service Area (SSA) by \$133,446 was not applied by the county, leading to a higher levy than intended. Rather than leaving property owners to wait for an adjustment to appear in future tax bills, the Village Board is poised to approve rebating the overcharge in time for property owners to pay the tax bill that will be due next month.

"Many property owners who voluntarily chose to tax themselves to help support the wide range of services the SSA provides may be facing an unexpected financial impact because of what amounts to an accounting error," Village President David Pope said. "While there is no doubt that the property owners within the Downtown SSA eventually would get back the money if they overpay, the issue is when would they get it back and if, in these tough economic times, they can wait."

Pope said after exploring various options to correct the levy, the Village Board decided that property owners should be paid the amounts that exceeded the intended levels in time to pay their taxes by the deadline. Any money the Village pays property owners under the plan would be recouped when the county forwards property tax collections back to the Village.

"As we considered ways to address the problem, it became apparent that the only way to provide timely relief to the overcharged property owners is to rebate the difference directly," Pope said.

The Village is exploring how the miscommunication with the county could have occurred, but it appears the March abatement ordinance was filed with the County Recorder of Deeds, rather than the County Clerk. The Village relies on an outside law firm to file thousands of documents annually with the county, and that firm ensures that the documents go to the proper office. The miscommunication with the county on the Downtown SSA abatement likely was due to a filing error, officials say.

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SSA Rebate
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The Downtown SSA includes the commercial properties in an area that extends generally from Harlem Avenue on the west to just past Forest Avenue on the east, and from Ontario Street on the north to North Boulevard on the south. The businesses within the area have elected to pay a special property tax assessment to fund services for the area, including marketing, maintenance and special events such as *Thursday Night Out*, *Oaktoberfest* and *Winterfest*.

Collectively, the property owners in the Downtown SSA pay about \$650,000 annually in property taxes to support the services they share. Each year the Village includes the amount needed for the SSA as a separate item in its total property tax levy request made to the Cook County Clerk. The County Clerk then sets the tax rate necessary to collect the requested amount, using the equalized assessed value of the property within the boundaries established by the Village.

The abatement ordinance submitted by the Village to the county in March should have had the effect of reducing the Downtown SSA's dollar request for this latest installment of property tax bills. However, since the abatement was not properly filed, a higher rate was applied. The result, Village officials say, is property owners within the SSA facing tax bills higher than necessary.

Property owners eligible for a rebate will not have to take any action, officials say, since the Village will work with the County Clerk and Township Assessor to determine the amounts due to each taxpayer. In addition to communicating directly with impacted property owners, the Village also will work with the Downtown Oak Park Business Association to provide information to its members.

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