

Whose property taxes went up most in Chicago?

'IT'S OUTRAGEOUS' | Property tax bills coming out this week jump as '7%' cap is gradually lifted

[Comments](#)

October 27, 2009

BY [ABDON M. PALLASCH](#) Political Reporter apallasch@suntimes.com

Four out of five Chicago homeowners will see their property taxes go up when they get their bills later this week, Cook County Assessor Jim Houlihan said Monday.

In the West Garfield Park neighborhood, the median tax bill will jump 46.4 percent, the highest spike in the city, according to the numbers compiled by Houlihan's office.

"I think it's outrageous. It doesn't seem fair," said Latonya Nelson, 39, who rehabbed a 100-year-old graystone opposite the park with her husband. "Especially with the economy being the way it is."

The main reason for the higher tax bills is the phaseout of the "7 percent" cap on property tax increases, Houlihan said.

Houlihan's controversial effort -- backed by Mayor Daley -- used a complicated math formula to shield homeowners in gentrifying neighborhoods from sudden steep property tax hikes. The formula shielded the first \$40,000 of home value from tax hikes and aimed to prevent homeowners' bills from going up more than 7 percent a year.

Lobbies representing businesses and owners of commercial and apartment properties complained the program shifted some tax burden to them. House Speaker Mike Madigan remained a skeptic of the bill and two years ago he pushed through a staggered phaseout. So last year, the first \$33,000 of city home values was protected. This year, that number drops to \$20,000. That's why the bills will be higher, Houlihan said.

"This is a direct result of Speaker Madigan's phaseout of the 7 percent homeowner exemption," Houlihan said. "This is the one thing that worked. For the first three years, when it was really going, it protected homeowners. I met with the mayor and urged him to go to Springfield and try to reverse that. The budget indicates how serious the problem is: The mayor has \$35 million to deal with that."

Mayor Daley's budget released last week included a pot of money to give \$200 each in property tax relief to homeowners hard-hit by the phaseout. Daley is expected to talk about property taxes today, but it is unclear whether he will back an effort to revive the 7 percent program still unpopular with Madigan and business owners.

At the time he argued for a phaseout of the program two years ago, Madigan pointed to one study that argued the program's benefits were exaggerated.

Critics said the plan mainly benefitted yuppies. But Houlihan points to the accompanying chart as proof the West, Southwest and Northwest sides were the main beneficiaries and will now be hit the hardest by the phaseout.

The staggered phaseout of the program hits the city hardest and earliest, Houlihan said.

The amount of property value protected from tax hikes in north suburban properties drops from \$33,000 to \$26,000 this year, so tax bills will go up there too, but not by as steep a rate as in the city, said Houlihan spokesman Eric Herman.

In the south suburbs, where median home values are going down, the first \$33,000 of home values are still protected from taxation, so homeowners there in general will not be hit as hard, he said.

Treasurer Maria Pappas expects to mail Cook County tax bills Wednesday, so they could be landing in homeowners' mailboxes as early as Thursday.

"They're trying to build the neighborhood back up, but if property taxes are going to go up 46 percent, a lot of the older folks aren't going to be able to pay that," said West Garfield Park's Matt O'Brien, 52, who works as a Dominick's grocery store cashier.

"The problem is, we're going to get taxed out of our properties," said his neighbor Kate Lane. "Cause this is the best part of town. We've got the Eisenhower ... the Congress 'L,' the Douglas 'L,' we're getting taxed out for the rich folks and we poor folks are going to have to find somewhere to go."

North Tri Homeowner 2008 Taxes (No Long Time Qualifiers)

City of Chicago Homeowner 2008 Taxes (No Long Time Qualifiers)

[One Church to Reach 20,000 People for Christ THIS YEAR?!](#)

From Monday Morning Insight Weblog

[No property tax bills soon](#)

From News of St. John, USVI

The views expressed in these blog posts
are those of the author and not of the
Chicago Sun-Times.

1 [2](#) [3](#) [>> Last](#)