

Village of Tinley Park

News Release



CONTACT:
Brad Bettenhausen
Tinley Park Village Treasurer
(708) 444-5060 | bbettenhausen@tinleypark.org

DATE:
December 21, 2016

Village adopts property tax levy for 2017

At its regular Dec. 20 meeting, the Tinley Park Village Board adopted a property tax levy request for Tax Year 2016 in the amount of \$25,541,964, which is unchanged from last year and represents a zero percent increase over the previous year's total dollars. This is actually the fourth consecutive year that the Village had held the tax levy unchanged.

“When we adopted the Home Rule Sales Tax in February of 2014, we made a commitment to hold down levy increases for five years,” said Trustee Brian Maher, Chairman of the Village's Finance and Economic Development Committee. “We're seeing that promise through.”

The Village Board also approved tax levy abatements for the coming tax year, a practice that has been followed for the past 35 years. Officials said these abatements continue to save residents hundreds of dollars on an average property tax bill.

Most of the area communities that previously offered tax rebate programs have either reduced or eliminated their programs. However, Tinley Park's abatement program is continuing at levels comparable with prior years. The Village's required 2016 levies to pay outstanding bonds and interest payments due in the upcoming calendar year (2017) are being reduced by nearly \$6.1 million, which directly translates into reduced property taxes. The total amounts abated represent nearly 88% of the total debt service of the Village and Library combined.

“We earmark certain revenues each year to pay our bonds, which helps us keep property taxes lower for both homeowners and businesses,” Tinley Park Mayor David G. Seaman said. “It's a much better practice than raising taxes and then giving rebates, which involves administrative costs that we've been able to virtually eliminate.”

Over the past 10 years, the annual average residential tax savings generated by abatements on homes with a market value between \$150,000 and \$350,000 is between \$161 and \$378. During this same period, homeowners have received and benefited from cumulative savings of between \$1,608 and \$3,782 on the Village portion of their tax bill because of the abatements, which have totaled more than \$47 million for the past 10 years.

(more)

Tax abatements
Page 2 of 2

“One of the main reasons we can continue to abate taxes in this way is because we’ve been able to finance long-lived capital improvements by matching them with future revenue streams, thereby completing major projects in town without having to raise taxes,” Maher said.

If the Village didn’t have these alternate sources to pay the debt service on these bond issues, the tax levy would be nearly \$6.1 million higher than proposed and would add an estimated \$0.472 to the Village tax rate, and an estimated \$0.011 to the Library tax rate.

The total Village tax levy required to pay principal and interest on the bonds was reduced or eliminated by the amounts paid from other sources of money, helping to eliminate the need to place additional tax burden on the property tax. The amount included in the Village’s annual tax levy has remained unchanged at \$350,000 since tax year 2003.

“The Village Board is committed to managing the Village’s finances in a manner that keeps our taxes as low as possible while providing our residents with the excellent level of municipal services they deserve,” Maher said.

Tax Savings of Abatement for House Valued at:

Market Assessed	\$150,000	\$200,000	\$275,000	\$300,000	\$350,000
	\$34,000	\$50,000	\$66,000	\$77,000	\$90,000
2007	52	77	101	118	138
2008	47	69	90	105	123
2009	123	165	226	247	288
2010	123	164	225	246	286
2011	185	246	338	369	431
2012	185	246	338	369	431
2013	212	283	389	425	495
2014	206	275	378	413	482
2015	236	314	432	471	550
2016	239	319	438	478	558
Total	\$1,608	\$2,158	\$2,955	\$3,241	\$3,782
Average	\$161	\$216	\$296	\$324	\$378