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Dear Ball Township - Lake Springfield Neighbor

RE: Property Tax Assessments  
Improper targeting of lake lease properties  
ADVERTISING MATERIAL

Dear Neighbor:

Sometime this fall the office of the Sangamon County Supervisor of Assessments will be sending out notices regarding Ball Township property tax assessments for 2005 property taxes payable in 2006. The assessment notice will indicate the value the assessor's office has placed on your property. The value that is determined in your 2005 assessment notice will directly affect the amount of property taxes you will be called upon to pay in 2006. I had a recent experience with respect to the assessment notice I received for 2004 property taxes payable in 2005, which I thought you may appreciate knowing about.

Before I relate my experience however, a digression is first necessary to summarize some of the law and make some observations regarding property tax assessments. In summarizing the law however, please understand I know several people who work in the assessor's office and greatly admire them. This letter is sent for informational purposes to inform you of what I believe are problems with Sangamon County property assessments, and should not be interpreted as an attack upon anyone. The law provides as follows:

Each tract or lot of property and each taxable leasehold estate in Sangamon County is required to be valued at 33 1/3% of its fair cash value (FCV), 35 IWS 200/9-145 (WEST 2004).

In order to assure each tract is valued at 33 1/3% of its FCV, on or before June 1 in each general assessment year (general assessment years occur every four years, the last of which was in 2003), the assessor in person or by deputy shall actually view and determine as near as practicable the value of each property listed for taxation as of January 1st of that year and assess the property at 33 1/3% of its FCV, 35 ILCS 200/9-155 (WEST 2004).

On or before June 1<sup>st</sup> in each year other than a general assessment year the assessor shall list and assess all properties which become taxable and are not listed on the general assessment, and also make and return a list of all new or added buildings, structures, or improvements of any kind the value of which had not been previously added to or included in the valuation of the property on which such improvements have been made, the kind of improvement, and the value which in his or her opinion, has been added to the property by the improvements. The assessment shall also include, on a proportionate basis, all new or added buildings, structures, or other improvements, 35 ILCS 200/9-160.

Although the chief assessment officer or the Township assessor has the authority in any year to revise and correct an assessment as appears to be just, 35 ILCS 200/9-75 (WEST 2004), the Illinois Property Tax Code, as well as Article I, Section 2 and Article IX, Section 4 (a) of the Illinois Constitution of 1970 require that all assessments, whether in general assessment or non-general assessment years, be performed in a uniform manner. Based upon this uniformity requirement, it is my opinion that neither the Township assessor nor the Supervisor of Assessments can lawfully use a mass formula basis for adjusting the value of some properties and an inspection and review basis for others. Simply stated, the basis to be used for assessing all such properties must be uniform. Specifically, it appears that "targeting" or "hand-picking" some properties for significant reassessments, while other like properties are ignored or adjusted only according to the mass appraisal method is particularly egregious.

In Sangamon County it is obvious that the Township Assessors' are not viewing and determining the value of each property in their respective Townships in general assessment years. Previous assessment records indicate nearly identical percentage increases in the various townships, and when confronted with this evidence, the office of the Supervisor of Assessments admitted they have no evidence that physical inspections have been done for at least two decades. Instead of the statutorily mandated physical inspections, a mass appraisal method is used and nearly all properties are then adjusted according to a similar percentage. Although this is not the assessment method mandated by statute, at least it is a uniform method as required by the Illinois Constitution and the Illinois Property Tax Code.

With the above legal summary and observations in mind, I go back to my own assessment experience for 2004 taxes payable in 2005. During the fall of 2004 we received an assessment notice indicating an increase in the value of our lake lease property of approximately 4% more than the previous year. At that time we elected to do nothing as such an increase appeared to be reasonable and in line with the mass appraisal and adjustment formula we had become accustomed to while living at 43 Forest Ridge for approximately the previous 16 years.

You might therefore imagine my surprise when the Sangamon County Board of Review sent a notice on 02/07/05 notifying us the assessment on our lake lease property had been reviewed by the Board of Supervisors and increased by 100% for the purpose of 2004 taxes payable in 2005. After the initial shock of having our assessment doubled had subsided, I proceeded to the office of the Supervisor of Assessments in the County building for an explanation. I was told that lake properties were being specifically targeted, and that the assessments on all lake lease properties, especially those in Ball Township, would be singled out for review and addressed during the next assessment year (2005).

After researching Sangamon County tax assessments for a few days I concluded that most properties had been assessed not on an inspection and adjustment basis, but on a mass appraisal and adjustment percentage basis. Most importantly, I found that assessments in Sangamon County are definitely not uniform. Last year and again this year many homes in Sangamon County are substantially under assessed. In fact, one assessor who had purchased her own home in 1992 for \$181,900 had this same home assessed in 2004 at a FCV of only \$140,880. Another assessor lives in a beautiful new 2000 sq. ft home on a 5.67 acre wooded lot built in 1998 which she assessed in 2004 as having a FCV of only \$134,781. At the time I received my 100% assessment increase on 02/07/05 yet another assessor was living in a two-story home with a three-car garage and an in-ground pool that was assessed in 2004 as a vacant lot. The last building inspection on record was completed on this particular property on 10/29/03. Perhaps these assessors have some rational explanation for the apparent lack of uniformity in these and other assessments. If so, these assessors have not told me what it is. I requested that our own Ball Township assessor appear at my hearing on 03/08/05. So did the Board of Review. He didn't show up, but is now targeting lake properties.

Making a rather long and complicated process short, the focus of our appeal was that our assessment violated the mandate of the Illinois Constitution and the Illinois Property Tax Code requiring that the basis for the assessment of property, and the basis for correcting any past disparities in the assessment of property, be uniform. After a hearing on 03/08/05 in which I presented substantial documentation and called several witnesses concerning the assessment practices in Sangamon County, the Board of review rescinded our 100% assessment increase and reinstated the approximate 4% increase which had been computed earlier.

The purpose of this letter is two-fold. First, I do not believe that under a uniform system of assessment some neighborhoods can be targeted for significant increases while others are either ignored or receive standardized percentage increases. Second, it appears that your property may be at risk to be targeted for a substantial increase. Should you receive a notice of a substantial increase in assessed valuation later this year, you will only have 30 days from the date of the notice to appeal in

writing or you may well be stuck with an enormous increase in property taxes not only next year, but in future the years to come. In the past this has happened to many other lake leaseholders, especially in Townships other than Ball, who either did not appeal their increased assessments or attempted to establish a value for their specific property rather than arguing the assessments are invalid as they purport to correct perceived past disparities in a non-uniform manner.

If all like properties in Sangamon County were assessed at 33.333 of FCV as they are supposed to be, many of us would probably have no complaint. However, assessments continue to lack uniformity. This problem is compounded when public officials, instead of using a uniform assessment criteria, have vowed to single out our properties for increases. If you are targeted, please feel free to call and discuss.

WHY DOES THIS LETTER  
AND ENVELOPE STATE "ADVERTISING MATERIAL"

The subject of property taxation is not normally a practice area that is coveted of lawyers, and certainly is not a legal specialty that is historically the focus of advertisements. You will notice however that this letter and the envelope in which it came are clearly marked as "Advertising Material". Please understand that I am not soliciting your business.

Pursuant to Rule 7.3(a) (2) of the Rules of Professional Conduct formulated by the Illinois Supreme Court direct mailings to a non-client must be clearly marked as "Advertising Material". Without marking the letter and the envelope in this manner I believe I may be ethically prohibited from sending this letter directly to you.

I am sending you this letter because the Office of the Supervisor of Assessments and Board of Review have bluntly stated they are in the business of specifically targeting Ball Township lake properties for 2005 assessment increases. Hopefully this will not happen, but lake lease properties located in Rochester and Woodside Townships have already fallen victim to such selective assessment practices. Perhaps it is best to hope for the best while preparing for the worst.

While your property may be at risk for an increased assessment, many like properties in other neighborhoods in Sangamon County are grossly under assessed but have traditionally been ignored. This includes property owned by some of the Township Assessors themselves.

Should your property be targeted for a substantial assessment increase this year and you wish to take some action to contest it I would be happy to speak with you or your lawyer and share any information with him or her if you wish without any obligation whatsoever.