



2023 Levy Parameters

Board of Education
Meeting
October 16, 2023

2023 Levy Timeline

- 10/16/2023 Board of Education Meeting
- 11/13/2023 Board of Education Meeting
- 11/13/2023 Communication
- 12/18/2023 Board of Education Meeting
- Levy 101 Discussion
- Review Preliminary Levy
- Approval to Place Preliminary Levy on Display
- Levy Placed on Display
- Levy Public Hearing
- Approval of the 2023 Levy

THE LEVY STATUTORY GUIDELINES

- The Board of Education must “estimate” the levy at least 20 days prior to adoption.
- The Board of Education must adopt and file the final levy before the last Tuesday in December.
- A Truth in Taxation Hearing is required if the levy will increase by 5% or more.

THE CALCULATION AND PAYMENT

- The increase potential of each year's levy calculation is determined by taking the previous year's extension multiplied by CPI; (5.0% for the 2022 Levy)
- Plus the estimated value of new property;
 - The district will receive the tax receipts in two equal installments: June 1st and September 1st. Taxes are normally collected within 60 days of the installment dates.

TAX CAPS AND THE CONSUMER PRICE INDEX

- Property Tax Extension Limitation Act (Tax caps) Public Act 87-17
- Limits the amount of the increase in taxes from year to year to the lesser of 5% or the prior year CPI, plus the value of new property added to the tax base.
- The value of new property is unknown at the time of the levy and must be estimated.
- The December 31, 2022, CPI was 6.5% (It was 7.0% last year)
- The tax cap law will restrict the total levy increase to the lessor of CPI or **5%**, plus new property, **regardless of the amount levied.**

TIMING

- The 2023 levy will fund the 2024-2025 school year. The first installment of taxes related to the 2023 levy are expected to be received during June of 2024. The remainder of the levy is expected to be received during September of 2024.
- The June tax receipts are commonly referred to “Early Taxes” as they arrive just prior to the year for which they will fund.

OTHER ASPECTS OF THE LEVY

- If the district levies less than the maximum permitted under the tax cap limitation law, the district forfeits that taxing capacity for all future years.
- In regards to new property growth, if the estimate used in the levy ends up below the actual growth the district would forfeit that taxing capacity for all future years as well. That is the reason why many districts estimate a bit higher than expected in order to safely capture all taxing capacity.

ABATEMENT vs. UNDER LEVY

- If a district wishes to collect less than the maximum permitted under PTELL, there are generally two options:
 - 1. Under levy: submit a levy request below the maximum. This lowers the district's taxing capacity by the amount of the under levy for the current year, as well as all future levy years.
 - 2. Abatement: submit a levy at (or above) the maximum permitted, and then direct the Clerk's office to refund a certain portion. This preserves the district's full taxing capacity for future years.

Role of the DuPage County Clerk

- The Clerk's office will review all requested tax extensions, and if necessary reduce the amount to the appropriate PTELL limiting rate.
- In no event can a taxing body be granted a tax extension above the limit calculated under PTELL, regardless of the amount they request.

Thank You