



Challenging Property Assessments To Increase School Funds

By Alan M. Mullins

All taxing bodies have the right to appeal the assessed values assigned to properties within their boundaries, whether by initiating appeals or by intervening in the property owners' appeals. The Illinois Appellate Court recently held that a school district's right to appeal a perceived under-valuation of a property is no less important than the property owner's right to appeal a perceived over-valuation.

In *Minooka Community High School District No. 111 v. Illinois Property Tax Appeal Board*, the City of Aux Sable owned a natural gas extraction facility. It appealed the 2004 assessed value of its property to the Property Tax Appeal Board ("PTAB"). Once Aux Sable filed its appeal, the local school districts were precluded from initiating their own appeal of Aux Sable's assessed value because PTAB will accept only one appeal for any property for a particular tax year. PTAB requires other parties who wish to file related appeals to intervene in the pending appeal, which the local school districts did.

After the school districts filed their joint intervention, Aux Sable decided that it would rather accept the assessed value given its property than face the school districts' appraisal evidence at a hearing, and thus filed a motion to voluntarily dismiss its appeal. The school districts objected because they wanted their under-valuation claim heard. PTAB granted the motion to dismiss and the school districts appealed that decision to the Appellate Court. In a victory for intervening school districts, the Appellate Court held that PTAB lacked the authority to dismiss an appeal over the school districts' objections. In essence, the Court held that even though the property owner abandoned its over-valuation claim, the school districts could continue to pursue their under-valuation claim.

In times of teacher layoffs and slim budgets, school boards cannot afford to ignore the undervaluation of properties within their districts. Yet we observe that by and large, our clients are underutilizing the property tax appeals process, thereby potentially leaving money on the table. If you are interested in challenging the undervaluation of properties within your District, either through intervention in an appeal or filing your own challenge, please contact Alan M. Mullins at 312-565-3100, ext. 236 or amullins@edlawyer.com.

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