

**Illinois State Bar Association  
State and Local Taxation Section Council  
Presentation at Property Tax Appeal Board Meeting**

April 12, 2011  
9:30 a.m.  
Illinois Supreme Court  
Ceremonial Courtroom  
160 North LaSalle St., 18th Floor  
Chicago, Illinois

This ISBA SALT program is part of the PTAB meeting agenda and will start at 10:30 a.m., immediately after the PTAB regular meeting at 9:30 a.m. It will end promptly at Noon.

**I. INTRODUCTION - 10 MINUTES**

William J. Seitz, Chair, ISBA State and Local Taxation Section Council  
Mauro Glorioso, Member of the Property Tax Appeal Board

What this dialogue intends to accomplish? Short overview.

**II. WHERE THE PTAB IS TODAY - 10 MINUTES**

Donald R. Crist, Chairman, Property Tax Appeal Board  
Louis G. Apostol, Executive Director, Property Tax Appeal Board

Short overview of the PTAB backlog

**III. MAIN PROGRAM - 60 MINUTES**

ISBA SALT Member(s)  
Chicago metro area - Boards of Review and the PTAB

**Addressing the PTAB backlog problem:** this is a discussion of ideas from BOR and/or ISBA SALT that can be implemented to make the process work better in the short term: (1) Administratively; (2) Requires Rulemaking.

**Streamlining the process:** this is a discussion of ideas from BOR and/or ISBA SALT that can be implemented to make the process work better in the long term.

Some ideas to be discussed: (1) Electronic Filing for Attorneys; (2) Settlements Only Hearing Officer (for *pro se* residential property owners in the Chicago metro area); (3) Decisions By E-Mail; (4) Documentary Evidence Extension; (5) Hearings.

**IV. QUESTIONS AND ANSWERS - 10 MINUTES**

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**I. BACKGROUND**

With this “pow wow”, the Illinois State Bar Association (“ISBA”) State and Local Taxation Section (“SALT”) seeks to engage the Property Tax Appeal Board, county officials, and the practitioners in what is intended to be a cooperative effort to improve the system of real estate tax assessment.

The intent is for the ISBA to play a constructive role and do some good, with the goal of a working dialogue to cooperatively attempt to tackle problems caused by the serious resource issues faced by the PTAB, which similarly directly impacts upon budget challenged local boards of review and taxpayers.

The ISBA SALT subcommittee on the PTAB is comprised of the following individuals from its Section Council: Mary Ann Connelly, Tom Jaconetty, Tim Moran, John Norris, Tara Ori, Bill Seitz, Gary Smith, and Steve Waggoner.

To come up with suggestions to make the process work faster or more efficiently, the ISBA SALT has sought the input of Lou Apostol and Mauro Glorioso from the PTAB, as well assessment officials from each of the following counties in the Chicago metro area: Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will.

All of that feedback is summarized in this document, intended to be a friendly exchange of ideas.

**II. OVERALL COMMENTS**

**1. Process Filings By PTAB Practitioners And *Pro Se* Property Owners the Same?**

Currently, all PTAB filings are processed the same.

The PTAB docket is comprised primarily of *pro se* residential cases where a change in assessed valuation of less than \$100,000 is sought.

Attorneys are typically representing the cases where a change in assessed valuation of \$100,000 or more is sought.

A common suggestion to improve processing and flow of information is based on the fact that most attorneys have now have had to adopt their practices to filing PDF's electronically. At this point, most attorneys and appraisers are now preparing documents as PDF's.

Similarly, many *pro se* individuals have gotten comfortable with concept of filing documents electronically.

It would save a lot of paper, postage, and processing time by the Clerk of the Property Tax Appeal Board if an attorney were required to do their filing electronically, at least in the larger counties.

Most county boards of review in the Chicago metro area are now equipped to be able to handle e-mail transmissions. If the BOR could then be able to transmit notice of the filing electronically, that would reduce the similar costs upon the counties too.

Recommendation: As a requirement for attorneys and as an election for *pro se* property owners, we would like to suggest that the PTAB move to an electronic filing system.

As a starting point, perhaps we could start with the complaint being filed online – at least by attorneys- with a postmarked deadline to supplement by submitting a hard copy of the documents afterwards.

This would eliminate processing by the PTAB, and make it possible for a more timely tracking system of the filings. The County could create a file with a label and complaint no.

Even if the above changes are made for attorneys, there is still going to be *pro se* paperwork filed with the PTAB, but this would dramatically reduce the paper being transmitted

## **2. Resolve Cases Locally and Send “Agree to Disagree” Cases to Hearing- Doing Both Faster**

The BORs really want to take care of all of the cases that they can at their level rather than having “undesirable” cases go to PTAB.

The thought is that it would be better for everyone if the cases that can be dealt with at the BOR level really are dealt with at the BOR level. This would lessen the burden on the PTAB tremendously.

That would leave the “agree to disagree” cases for the PTAB to docket and to set these cases on a hearing track. That would leave a much fewer number of cases for both the BOR's and the PTAB to track.

Thus, when PTAB hearing officers come to the county, they are conducting hearings on cases that the parties agree well in advance cannot be settled (i.e., there is no settlement prospects).

### **III. BEGINNING OF THE PROCESS – THE INITIAL FILING**

Getting cases docketed into the PTAB system, and the counties notified, is a significant delay, and all counties would like to be know about such filings more promptly than currently.

Earlier in the process, the Boards of Review would like: (1) the lists of Property Index Numbers closer to when petitions are filed; and (2) the PTAB Docket Number that is assigned to that P.I.N.

There would be significant advantages to both.

If the BOR is aware of the PTAB filing, it can start reviewing its BOR filings by those taxpayers to see if something can be resolved.

If the BOR knows the PTAB Docket Number, the BOR can open a PTAB file, either physically or electronically. A stipulation could conceivably be entered into more promptly. Right now, the case cannot be settled before a docket number is available.

It has been suggested that if the complaint were filed electronically, the PTAB processing of the filing information would be greatly reduced, and this information could more easily be transmitted back to the BOR.

### **IV. REDUCING THE MOVEMENT OF PAPER AND MAILING COSTS**

Both the PTAB and the BOR's are currently sending out large volumes of paper in the mail. It is unnecessary for the State's Attorney's office to get every docket number, every request for an extension and every decision. E-mail notification would be great.

For I-3 and C-3 properties, rather than just sending them to PTAB and then the BOR waiting for a year or so until PTAB sends them out, the BOR would like them to be sent to the BOR. The County can perhaps settle these quickly. Electronically filing of documents between the parties would make this much easier to do.

Given budget problems, these boards of review are struggling with the administrative burden of mailing notifications in cases where a change in assessed valuation of \$100,000 or more is sought.

It is very costly for the boards of review to serve a copy of the taxpayer's petition to all taxing districts as shown on the last available tax bill. Electronically filing notifications would make this much easier to do.

Similarly, mail and paper costs would be reduced if PTAB decisions were sent by E-Mail.

## **V. SETTLEMENT OF CASES - HONORING STIPULATIONS ENTERED INTO BETWEEN THE BOR, TAXPAYER, AND TAXING DISTRICTS.**

This would allow for stipulations to be entered into promptly- matching stipulation with PTAB docket no.

The BORs would like the ability to settle outstanding PTAB cases when settling a current Board of Review case.

Some BOR's now have a space on their complaint form for disclosing any outstanding PTAB docket numbers.

If the physical file (appraisal, etc.) needs to be matched up with the stipulation and then the PTAB still needs to review the merits of the stipulation, not much benefit is derived from entering into stipulations in good faith in advance (e.g., at the time of a succeeding year BOR hearing).

The parties work hard on coming up with a settlement that everyone believes is reasonable.

This is not a good use of the PTAB's resources to go over these cases, if the parties have worked diligently to come up with a good settlement.

If the PTAB were to honor such stipulations promptly, this would conform PTAB practice to Cook County tax objection practice. Based on the 1998 Supreme Court decision in People ex rel. Devine v. Murphy, the court now examines the settlement to determine whether fraud or inadequate representation has occurred, rather than judging the merits of the agreement itself.

## **VI. PRACTICE OF LAW BY CONSULTANTS**

A significant issue in the property tax process is that the BOR's would like Yamaguchi to be enforced.

Some counties now require ARDC numbers on every complaint, and will not hear an appeal without one.

## **VII. HEARING PROCESS ISSUES RAISED**

- Given the backlog and staffing limitations to holding hearings right away anyway, devote less resources to time extensions. If the contesting party is unable to submit written or documentary evidence with the petition, give longer extensions.
- If there is no witness to testify, a PTAB decision on all matters in evidence. Fewer cases need an evidentiary hearing.
- An attorney should not be allowed to make an argument as a witness.

- The Cook County Assessor's office would like to testify as to mass appraisal process.

## **VIII. COOK COUNTY SUGGESTIONS**

### **1. CATTLE CALL**

Cook County would be willing to work on a committee on how to do it and construct a cattle call – PTAB, BOR, Assessor, and practitioners. Maybe we could get the input on mediation/arbitration from a retired judge.

The suggestion is to do this by attorney and/or law firm in a large volume, similar to how the tax objection backlog was handled.

The Cook County Board of Review would come up with some short of prioritization, such as identifying the “splitting hairs” cases – 10%, 3% difference in values, and cases that a hearing is definitely sought.

PTAB Decisions on the settled cases would be promptly issued, and the cases could be closed out.

The remainder of the docket would be a hearing docket that Cook County could budget for appraisals, etc., and the PTAB could hold hearings.

### **2. SHORT RESIDENTIAL DECISION**

This would be a truncated check box residential decision sheet, a summary disposition of each of the residential cases (\$ per square foot, assessed value, etc.). This would be a short, quick ready disposition.

Cook County would be willing to work on a committee on how to do it and construct a short residential decision to move these residential cases.

Most of the backlog is *pro se* residential property owners in the Chicago metro area. Perhaps a PTAB “Settlements Only” Hearing Officer that the PTAB could devote 1 hearing officer to this task?

WJS