

CHECKLIST FOR YOUR FARM APPEAL BEFORE THE PTAB:

- Has the prescribed form been used?
- Is there **one** appeal form for **each** property being appealed?
- Is an addendum attached to the petition where the property is composed of more than one parcel?
- Is the property identified by its property identification number (PIN)?
- Are the petition forms filed as instructed?
- Is the evidence filed as instructed?
Note: If a change in assessed valuation of \$100,000 or more is sought, all evidence must be submitted in **triplicate** for assessment years before 2016.
- Is your signature or your attorney's signature on each petition?
- Are photographs attached of the farmland, farm residence and/or outbuildings which are the subject of the appeal, if they aid in explaining the appeal?
- Is the factual basis of the objection(s) to the board of review's decision stated and if a contention of law is raised, is a brief submitted?
- Are the mailing address and telephone number of the taxpayer or attorney listed?
- Are copies of the board of review decision or PTAB decision submitted?
- Has all of the assessment information for the farm property been disclosed on the appeal form?
 - **Board of Review's:** Farmland, Homesite, Residence, Outbuildings, and Total Assessment
 - **Your request:** Farmland, Homesite, Residence, Outbuildings, and Total Assessment



State of Illinois Property Tax Appeal Board

Farm Appeal Information



Board Members

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Farming is a major factor in our state's economic well-being. This brochure is intended to provide farm property owners or taxpayers with a basic understanding of the farm assessment and appeal process.

The Property Tax Appeal Board (PTAB) is an independent state agency that hears farm, residential, commercial, and industrial appeals from boards of review statewide.

File your appeal and all related documentation with our Springfield office:

**Property Tax Appeal Board
William G. Stratton Office Building
401 South Spring, Room 402
Springfield, IL 62706
Telephone (217) 782-6076
TTY (800) 526-0844**

www.ptab.illinois.gov

Office Hours:

Monday through Friday 8:30 AM to 5:00 PM

THE ASSESSMENT OF RURAL AND FARMLAND PROPERTY — A SEPARATE ASSESSMENT PROCESS

Illinois assesses farmland based on an agricultural use value rather than market value. Section 10-115 of the Property Tax Code [35 ILCS 200/10-115] provides for an "agricultural economic value." This value is based upon land use under average level management, relative productivity of soils, and the present worth of the net income accruing to the land from farm production.

In order to qualify for a farmland assessment, Illinois law states the property in question must have been used as a farm for the previous two years [35 ILCS 200/10-110]. The statute defines farm as "any property used solely for the growing and harvesting of crops; for the feeding, breeding, and management of livestock; for dairying or for any other agricultural or horticultural use or combination thereof; ... the keeping, raising and feeding of livestock or poultry, ... fur farming, bees, fish and wildlife farming." [35 ILCS 200/1-60] **A farmland assessment will not be given to property which is primarily used for residential purposes even though some farm products may be grown or farm animals bred or fed on the property incidental to its primary use.**

The assessment of real property, including farm property in Illinois, is the responsibility of your local county assessing officials. However, by law, certain responsibilities have been assigned to the State of Illinois, particularly the Department of Revenue. For example,

the Department of Revenue is required to calculate soil productivity index use-value figures and certify them to county officials each year. The officials then apply these figures to the identified soil types on individual farms or parcels of farmland in order to establish an assessment. The process, however, is different in Cook County.

THE ASSESSMENT OF RURAL AND FARMLAND PROPERTY IN ALL COUNTIES EXCEPT COOK COUNTY

In setting the assessment of farm property, your local assessing officials must consider four separate parts of the farm. Each of these parts and their prescribed method of assessment are as follows:

Farm Homesite - is defined as land on a farm parcel used for residential purposes. The homesite is assessed as all other residential land in the county at 33 1/3% of its market value.

The market value of the homesite is whatever comparable, rural residential land is selling for in the area. This part of the farm assessment is subject to county board of review and Department of Revenue equalization factors.

Farm Residence - is assessed like all other residential improvements in the county at 33 1/3% of its market value. This part of the farm property is also subject to county board of review and Department of Revenue State equalization factors.

Farm Outbuildings - are improvements on the farm, such as housing for animals or machinery and storage for feed or grain. These structures are assessed at 33 1/3% of their *contributory value* to the productivity of the farm. Contributory value considers the current use of the improvements and what that use adds to the overall productivity of the farming operation. This part of the farm property assessment is subject only to county board of review factoring.

Farmland - is assessed according to its soil productivity considering farmland use and factors which may detract from the productivity of the soil. The State computes soil productivity index figures as a basis for the local assessment of individual parcels. The farmland portion of a farm property assessment is subject only to board of review factoring in order to achieve the assessments required by law.



Types of Farmland and Their Assessments

Farmland assessments can be classified into four separate categories.

1.) *Cropland* - is defined as all land from which crops were harvested or hay was cut; all land in orchards, citrus groves, vineyards, and nursery and greenhouse crops; land in rotational pasture and grazing land that could have been used for crops without additional improvements; land used for cover crops, legumes, and soil improvement grasses, but not harvested and not pastured; land on which crops failed; land in cultivated summer fallow; and idle cropland. **(If land falls into any one or more of these categories, it will be assessed as cropland.)**

Cropland is assessed according to the equalized assessed value of its soil productivity index (PI) as certified by the Department of Revenue and is debased to take into account factors including slope, drainage, ponding, flooding, and field size and shape.

Note: The soil productivity index number is used to determine the relative capacities of Illinois soils to produce principle grain crops grown in the State under a consistent level of management.

2.) *Permanent pasture* - is assessed at 1/3 of the debased productivity index equalized assessed value as cropland. It includes any pastureland except woodland pasture, which is not normally tilled except for renovation.

3.) *Other farmland* - includes woodland pasture, woodland including wood lots, timber tracts, cutover, and deforested land, and farm building lots other than home sites. This land is assessed at 1/6 of its debased productivity index equalized assessed valuation of cropland.

4.) *Wasteland* - includes that portion of a farm tract which could not be in cropland, permanent pasture or other farmland. It is assessed based on its contributory value to the farm property.

If you feel any part of your farmland is not properly classified in one of these categories, you should consult your local assessing officials.

Grounds for Appealing the Farm Homesite, Farm Residence, and Farm Outbuildings

There are several grounds for appealing these three farm assessments. You may argue one or more of the following:

Recent Sale or Comparable Sales - You must show that you are a recent purchaser and you paid less than the fair cash value indicated for the property as established by your local assessing officials. You must supply cop-

ies of the sales contract, settlement statement, a recent appraisal and/or the real estate transfer declaration. Comparable sales data shown on property record cards or property characteristic printouts can also be used to establish market value.

Note: A *comparable property* is one which is similar to your property in: (1) *location* (neighborhood or area); (2) *style* (ranch, two story, etc.); (3) *type of construction* (frame, brick, etc.); (4) *size* (square feet of living area and land area); and (5) *age* (years or months).

Equity/Uniformity - You must show that comparable or similar properties in your rural area have lower assessments than your property. Submit at least *three* comparable properties from your area with *all* relevant data including copies of property record cards or property characteristic printouts.

Recent Construction - You must document the actual costs included in the construction of your residence or outbuildings. Supply proper evidence of the price paid for the land as well as the recent construction costs of the building(s) including all labor and contractor related costs.

Contention of Law - A legal brief must be submitted detailing the contention of law you are raising.

Grounds for Appealing the Farmland

There are several grounds for appealing a farmland assessment. You may argue one or more of the following:

Reclassification from one use to another use - The PTAB accepts appeals based on reclassification issues. This means that if your property was once classified as farm property, but was reclassified as residential, commercial, or industrial property by local assessing officials in a subsequent assessment year, you can request the PTAB to reinstate the farm assessment. **Remember, in order to qualify for a farmland assessment, you must show the property was used as a “farm” during the previous two years.** You should submit a photograph(s) showing the property had been used for farm purposes and be prepared to discuss the farm uses to which the property has been put in the event a hearing is scheduled before the PTAB.

Productivity - If you are contesting the soil productivity figures assigned to your farm, you should submit: (1) a soil survey map of your farm, (2) the weighted productivity index numbers of your farm, and (3) the productivity index information for your soil types.

Farmland use classification - If you are contesting the farmland use classification, such as the number of acres utilized as cropland, permanent pasture, other farmland

and/or wasteland, you should submit an aerial photo and an acreage classification breakdown of the contested area.

Flood/Low area debasement - The PTAB considers flooding to be a historical sequence of temporary inundation of cropland by water which results in crop loss. In order to establish whether a flooding debasement is proper, you should submit: (1) an aerial photo of the area, (2) photograph(s) of the affected acreage, and (3) a ten year yield history demonstrating crop loss due to flooding.

THE ASSESSMENT OF RURAL AND FARM- LAND PROPERTY IN COOK COUNTY ONLY

Cook County assessment officials use a separate method of assessing farm property. Farmland assessments are not determined by productivity index figures. The equalized assessed value of farmland is to be the lesser of either 16% of the fair cash value of the farmland estimated at the price it would bring at a fair, voluntary sale for use by the buyer as farmland or 90% of the 1983 average equalized assessed value per acre certified by the Department of Revenue [35 ILCS 200/10-130]. Farmland assessments are not subject to State equalization.

Farmland in Cook County is NOT categorized into cropland, permanent pasture, other farmland or wasteland. Market value or equity/uniformity arguments may be raised in a Cook County appeal involving a homesite, a residence or an outbuilding.

For more information, you should consult the offices of the Cook County Assessor.

THE APPEAL PROCESS BEFORE THE PTAB

Farm appeal forms can be obtained from the offices of your local board of review/board of appeals, supervisor of assessments, at the offices of the PTAB, or from the PTAB’s website. Your farm appeal must be filed on the prescribed form within 30 days of the date of the board of review’s decision or within 30 days of the date of the favorable PTAB decision for the prior year. Appeal forms sent to the PTAB by mail will be considered as filed on the date postmarked.

A separate petition must be completed for each parcel of land appealed including the property’s **parcel identification number (PIN)** and each petition *must* be signed by the owner or taxpayer or their attorney.

Appeal forms must be filed with original signatures. All written or documentary evidence must be submitted with the appeal petition. **Note:** If a change in assessed valuation of \$100,000 or more is sought, all evidence must be submitted in **triplicate for assessment years**

before 2016. If you are unable to submit evidence with the appeal petition, a written request for an extension of time must be submitted with the appeal petition.

Make sure the appeal forms include all relevant data requested on the form, otherwise, **your appeal will be dismissed.**

Upon receipt of a completed appeal petition, the PTAB will assign a docket number to the appeal and notify you and the board of review.

OTHER INFORMATION

PTAB decisions are based on equity and the weight of the evidence.

Appeals before the PTAB are *de novo*, meaning they are considered as if the board of review had never heard or decided your assessment appeal. The PTAB will consider only the evidence, exhibits, and briefs submitted by the parties to the appeal. This can be the same evidence you submitted to the board of review and/or any other new documentation.