



Legislation Details (With Text)

File #: 2014-0507 **Version:** 1 **Name:** 2014 Property Tax Rebate - Distribution of Funds
Type: MOTION **Status:** PASSED
File created: 8/27/2014 **In control:** Board of Trustees
On agenda: 9/15/2014 **Final action:** 9/15/2014
Title: 2014 Property Tax Rebate - Distribution of Funds

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
9/15/2014	1	Board of Trustees		
9/4/2014	1	Finance Department	INTRODUCED TO BOARD	
9/2/2014	0	Finance and Information Technology Committee	RECOMMENDED FOR APPROVAL	Pass
8/27/2014	0	Finance Department	INTRODUCED TO COMMITTEE	

Title
2014 Property Tax Rebate - Distribution of Funds

History

The Village Board recently approved the 2014 Property Tax Rebate Program. This is a rebate of 2013 property taxes paid to the Village by residential homeowners in 2014. Applications will be due December 12th and checks will be mailed to approved applicants the week of March 20, 2015.

For the last two rebate cycles, the Village has allocated the total rebate evenly amongst all applicants. The Board has asked that staff investigate alternative methods for allocating the total rebate. Below are some alternative scenarios based on a total rebate amount of \$2.2 million.

Scenario I - Allocate rebate evenly amongst all approved applicants

Assuming the same number of approved applications as the previous year, each approved applicant would receive \$145.97. If the approved applicant paid less than this amount to the Village, they would only receive the actual amount they paid.

Scenario II - Allocate rebate based on the percentage of the total tax amount paid by the approved applicants

Assuming the same approved applicants as the previous year, the average rebate would be \$145.97, the median rebate would be \$134.84, the highest rebate would be \$1,197.23, and the lowest rebate would be \$2.93. 6,113 applicants would receive more than in the prior year, 8,959 applicants would receive less than in the prior year.

Scenario III - Rebate a flat amount per approved applicant based on various ranges of taxes paid to the Village

Assuming the same approved applicants as the previous year -
--if taxes paid to the Village were \$150 or less, rebate would be equal to amount of taxes paid.

--if taxes paid to the Village were over \$150 but less than or equal to \$700, rebate amount would be \$150

--if taxes paid were over \$700 but less than or equal to \$1,000, rebate amount would be \$175

--if taxes paid were over \$1,000, rebate amount would be \$200

On September 2, 2014, this item was reviewed by the Finance and Information Technology Committee. The committee recommended Scenario III, rebating a flat amount per approved applicant based on various ranges of taxes paid to the Village, and referred this item to the Village Board of Trustees for consideration. Staff will bring recommended rebate amounts and taxes paid ranges back to the Finance and Information Technology Committee once the number of applicants is determined.

I move to approve allocating the 2014 Property Tax Rebate, in the amount of \$2.2 million, evenly amongst all approved applicants.

or

I move to approve allocating the 2014 Property Tax Rebate, in the amount of approximately \$2.2 million, as a flat amount per approved applicant based on various ranges of taxes paid by the approved applicant.

Financial Impact

Scenario I and II will amount to a total rebate of \$2.2 million. The total rebate amount for Scenario III will not be known (if we set the flat rate amounts up front) until we know the total number of approved applicants and how much each approved applicant paid to the Village.

Recommended Action/Motion

I move to approve allocating the 2014 Property Tax Rebate, in the amount of \$2.2 million, based on the percentage of the total tax paid to the Village by the approved applicant.