

Prepared by Dr. Jeffrey Alstadt

2025 Tax Levy Process and Timeline

To present the tentative 2025 tax levy for Board of Education approval and review the timeline for final adoption. The tax levy is the district's single largest source of local revenue, and its timely, accurate completion is a primary fiduciary responsibility of the Board.

Background and Information

The property tax levy is the formal process by which the school district requests the funds it is entitled to from property taxes within the district's boundaries. This process is separate from the budget (our spending plan) and is governed by the Illinois Property Tax Code and the Property Tax Extension Limitation Law (PTELL), also known as the "tax cap."

Key terms to understand:

- **Tax Levy:** The total amount of money a school district certifies it needs to collect through property taxes.
- **Equalized Assessed Valuation (EAV):** The total taxable value of all property within the district's boundaries.
- **Property Tax Extension Limitation Law (PTELL/Tax Cap):** This law limits the increase in tax revenue a district can receive to the lesser of 5% or the Consumer Price Index (CPI) from the prior year.

LaSalle County EAV Update

The administration has received the official Equalized Assessed Valuation (EAV) projections from the LaSalle County Assessor's office. Using this critical data, we have prepared the 2025 tax levy presented for your approval. This proposal is based directly on these official projections.

Process and Timeline

The timeline for the levy is dictated by state law.

- **October - Presentation and Discussion:** At last month's meeting, the administration presented the proposed tentative 2025 tax levy for the Board's initial review. This presentation included the estimated EAV and the most recent CPI data.
- **November - Tentative Levy Approval:** The administration is asking the Board to formally approve the tentative tax levy that was presented and discussed in October. As recommended, this proposed levy is not more than 105% of the previous year's extension. Therefore, the district is not required by the "Truth in Taxation Act" to hold a public hearing.
- **December - Final Levy Approval:** At the December board meeting, the Board of Education must formally adopt the final tax levy. The legal deadline for this action is the last Tuesday in December.

Statutory Requirements After Final Approval

Once the Board has approved the final levy in December, the district must:

1. **File the Certificate of Tax Levy:** File the official, signed Certificate of Tax Levy with the County Clerk's office.
2. **County Clerk Calculation:** The County Clerk will then calculate the district's final tax rate based on the approved levy and the final EAV.
3. **Tax Extension:** The county extends (bills) taxes to property owners based on this calculated rate, and these funds will be collected and distributed to the district during the next calendar year.

Administrative Recommendation

The administration recommends the Board of Education approve the **tentative 2025 tax levy as presented**.

This recommendation is based on the official EAV projections from the LaSalle County Assessor's office. There have been no changes to the data or projections since our initial discussion. The presented levy does not exceed 105% of the prior year's extension, and no public hearing is required.