

Question: Why did I get a one-year assessment reduction?

Assessment reductions are generally awarded for multiple years. But, occasionally they may be awarded for one-year only. And, that is not necessarily a bad thing. Here's how one-year reductions work and why they may actually be a good thing.

Property in Cook County is assessed triennially, meaning once every 3rd year. Once an assessment is reduced, that reduction will typically remain in place for all 3-years of the assessment cycle.

Outside of Cook County, property is assessed quadrennially, or every 4th year and any reduction should benefit the taxpayer for the remainder of the assessment cycle, and maybe longer. That's because the Assessor adjusts assessments each year by a percentage called a factor. Factors reflect changes in real estate values in the local community. So, when an assessment reduction is awarded one year, it carries forward to all future years of the same assessment cycle because the factor is applied to the reduced assessment rather than the originally proposed/higher one.

In Cook County, the Assessor and Board of Review sometimes mark their reductions as one year only. In those cases, the assessment the following year will be increased to the original level (before the reduction) and the taxpayer will need to appeal again.

The Cook County assessing officials tend to issue one-year reductions when property has

- high vacancy,
- unusually low rental income,
- unusually high expenses, or
- the building was constructed or demolished during the tax year.

One-year assessment reductions can be substantial and the assessment will often be reduced well below the level of the prior year.

The assessing officials tend to award one-year reductions to help taxpayers who are suffering financially. But, they require the taxpayer to appeal again the following year to prove the hardship continues to exist.

Multi-year reductions, on the other hand, tend to be less dramatic. Usually, an assessment increase is reduced or eliminated and the reduction will carry forward to the rest of the assessment cycle.

One-year assessment reductions often occur in Cook County. And, are a good thing because the assessment is often reduced much more than it would have been had a multiple year reduction been awarded.