Budgets, Levies, and the Assessor–Highway Commissioner Interface

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In Illinois local government, budgets and tax levies determine how services are funded; property assessors and highway commissioners play distinct but interdependent roles in that process. Our property tax system is an interlocking framework that must align precisely to produce lawful tax extensions. Two often-overlooked pressure points are 1) the statutory deadlines governing township and county levies; and 2) the frequently contentious interaction between township assessors and highway commissioners over road and bridge funding.

I. Budgets and Levies: The Statutory Framework and Landmines

Under the Property Tax Code (35 ILCS 200/1-1 et seq.) and the Township Code (60 ILCS 1/1-1 et seq.), each taxing district must adopt a budget and appropriation ordinance before filing its annual levy. The levy ordinance—which fixes the dollar amount the district intends to collect—must be filed with the county clerk no later than the last Tuesday in December (35 ILCS 200/18-60). If the Township misses the deadline, the prior year's extension becomes the ceiling and excess levied amounts are simply not extended. There's a few other working parts to this framework that deserve attention as well: Truth in Taxation Notice and the Property Tax Extension Limitation Law (which I shall affectionately refer to as "PTELL")

Truth in Taxation Notice: For any district whose estimated aggregate levy exceed 105% of the prior year's extension, the Truth in Taxation Act (35 ILCS 200/18-55et seq.) requires published notice and a public hearing at least 20 days before the levy is adopted. Courts have consistently held that failure to publish the required notice renders the offending portion of the levy void.

PTELL Constraints: Although we all know better, you should never kiss and PTELL! Taxing districts subject to PTELL face an additional ceiling: the lesser of 5% or the CPI increase for the prior calendar year. Practitioners should confirm whether a proposed levy triggers PTELL, particularly where municipal boundaries overlap with non-home-rule territory. A misstep with PTELL could result in significant issues, such as immediate budget cuts, holding an emergency referendum to exceed PTELL, which could delay projects and risk voter rejection, confusion, and additional legal and administrative costs.

II. Assessors and Highway Commissioners: Navigating the Intersection

Township road districts are separate taxing bodies from the township itself. The highway commissioner, not the township board, controls road district funds. This structural separation produces recurring legal questions when assessors and highway commissioners disagree over the valuation of road district property and the appropriate levy rate for road and bridge purposes (lest we forget assessors simply place a value on each parcel of property, but it is governing bodies that levy taxes).

In practice, the two interact as follows: The highway commissioner's proposed budget relies on current assessed values provided by the assessor to estimate revenue from a proposed levy; the assessor's valuations drive the denominator used to compute the tax rate necessary to fund the budget. Where the highway commissioner believes road district property has been overvalued, the commissioner may file a complaint with the county Board of Review under 35 ILCS 200/16-5, in its capacity as a taxpayer. *(Attorneys Note–the road district is a distinct legal entity and must appear through its own authorized representative.)*

III. How Assessors and Highway Commissioners Can Align

We all want to do our best job with public funds and taxes. In closing, here are a few points of advice to avoid issues between these offices:

1. Establish a regular coordination schedule to review planned road projects, assessment roll timing, and expected new development;
2. Share data and maps;
3. Align project timing with assessment cycles (major capital projects should avoid peak assessment inspection windows);
4. Coordinate on new construction and improvements, and on appeals and plan informal review meetings to control timing and impact.