



OFFICE OF

McHENRY COUNTY SUPERVISOR OF ASSESSMENTS

RANDALL W. WOLOSKI, C.I.A.O.

COUNTY SUPERVISOR OF ASSESSMENTS

McHENRY COUNTY GOVERNMENT CENTER

2200 NORTH SEMINARY AVENUE

WOODSTOCK, IL 60098-2698

815/338-2040

RECEIVED
DEPT. OF REVENUE

MAR 11 1991

ASSESSMENT ADMIN.
DIVISION

March 8, 1991

Mr. Ronald Hageman
Il. Dept. of Revenue
Public Services Bureau
101 West Jefferson
P.O. Box 19033
Springfield, Il. 62794-9033

Re: Gravel Pit Assessments

Dear Mr. ^{Ron}~~Baker~~:

The Finance Committee of our County Board has asked that I draft and forward a request for legal opinions in the above matter. They have asked that I direct such request to the Illinois Department of Revenue, the McHenry County State's Attorney, and the Illinois Attorney General. However, in consideration of protocol, any request for an opinion from the Illinois Attorney General should and will have to be made at the discretion of the State's Attorney Office. In addition, it should be known that as I understand, some members of the McHenry County Board have initiated legislature research on the legislature's intent of, I suspect, the last sentence of Illinois Revised Statutes, chapter 120, paragraph 482(21); and all of paragraph 501(6).

The committee would like a response by March 18, 1991. However, in view of the available time perhaps the March 18 response could be confined to questions IA through IC, with the remainder of questions being answered by a reasonable future date.

In view of Illinois Revised Statutes, Chapter 120, paragraphs 482(21), 501(6), 501e, Article IV of the Illinois Constitution, and any other applicable law(s); should an individual tax parcel, which may be one of many tax parcels comprising a single mining site, be assessed for non-leasehold sub-surface mineral reserves and to what extent and, or what portion of said parcel under the following conditions:

I) A parcel has been used as cropland for the assessment year in question and the two previous years on 100% of its surface area. The parcel has substantial sub-surface mineral reserves under its entirety. All required city and, or County permits to mine said parcel have been granted. The type of mining needed would require State permits. The appropriate State permits have been issued.

A) Should the surface area be assessed as farmland in accordance with the procedures specified in Il. Rev. Stats., Chapter 120, paragraph 501e?

B) If the surface should be assessed as farmland, should the sub-surface non-leasehold mineral reserves be additionally assessed?

C) If the sub-surface mineral reserves should be assessed, and if the property owner(s) have not applied for the appropriate State Permits, therefore, none have been granted, and in consideration that an appraisal or our assessments is a valuation of the rights of usage, and a State permit would be required, and the surface qualifies to be assessed as farmland, should the sub-surface reserves be additionally assessed?

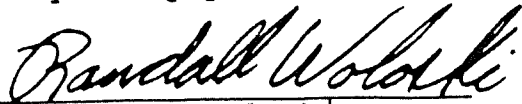
II) A parcel's surface area is 51% cropped, and on 49% no mining or related mining activity of any type has occurred for the assessment year in question and the two previous years. All required local city and, or County required permits have been issued. The type of mining that would be needed would require State permits, and they have been granted. There are substantial mineral reserves under all portions of the parcel.

A) Should the said 49% portion be assessed as permanent pasture or "other farmland" as provided in said paragraph 501e, as what normally would be the procedure?

B) If the answer is yes to II A, should the reserves under said 49% of the parcel be assessed in addition to its surface farmland assessment?

C) If your answer to II B is yes, what would your answer be if said 49% portion was instead 51% of the surface area.

Very truly yours,

A handwritten signature in cursive script, reading "Randall W. Woloski". The signature is written in dark ink and is positioned above the printed name.

Randall W. Woloski
Supervisor of Assessments

RWW:hj

cc. Ann Hughes
Mike Tryon

4

Illinois Department of Revenue

Local Government Services Bureau
Assessment Administration Division
101 West Jefferson Street
P.O. Box 19033
Springfield, Illinois 62794-9033
(217) 782-3627

RF

March 15, 1991

Mr. Randall W. Woloski
McHenry County Supervisor of Assessments
McHenry County Government Center
2200 North Seminary Avenue
Woodstock, IL 60098-2698

Dear Mr. Woloski:

I discussed with Dale Yung the questions in your letter of March 8 concerning the assessment of property under which there is gravel.

I will answer each of your questions in order.

Question 1A: The surface rights should be assessed as farmland under Section 20e of the Revenue Act of 1939.

Question 1B: The subsurface minerals (gravel) should be assessed separately based on market value and in addition to the surface assessment.

Question 1C: The application for or granting of the required permits for mining may affect the market value of the minerals but does not affect the assessability of the minerals. The farmland and the gravel minerals should be separately assessed.

The answers to Questions 1 A, B, and C are the same regardless of whether the ownership of the gravel minerals has been severed from the surface rights.

Question 2A: The 51% portion of the parcel should be assessed as cropland and the 49% of the parcel should be assessed as farmland according to its use, provided it has been "farmed" for the last two preceding years.

Mr. Randall W. Woloski

- 2 -

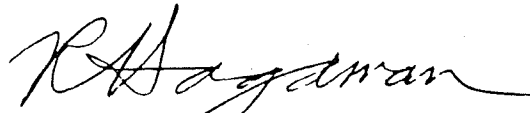
March 15, 1991

Question 2B: All the gravel reserves under the parcel should be assessed based on market value.

Question 2C: All the gravel reserves under the parcel should be assessed based on market value.

If you have any questions, please call (217/782-3627).

Sincerely,

A handwritten signature in cursive script, appearing to read "R. Hagaman".

Ronald D. Hagaman
Division Manager
Assessment Administration Div.

RDH:jev
HL00007