



Chicago Metropolitan Agency for Planning

Agenda Item No. 3.0

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Regional Tax Policy Task Force

DRAFT Minutes

Friday, September 9, 2011

9:30 a.m.

Cook County Conference Room

233 S. Wacker Drive, Suite 800

Chicago, Illinois

Members Present: Frank Beal (Chair)-Metropolis Strategies, Zahra Ali-Cook County Department of Revenue, Paul Braun-Village of Flossmoor, Karen Darch-Village of Barrington, Larry Hartwig-Village of Addison, Tom Johnson-Taxpayers' Federation of Illinois, Laurence Msall-Civic Federation, Chris Nash – City of Chicago, Daniel McMillen-University of Illinois, Michael Pagano-University of Illinois at Chicago

Members Absent: Barry Burton-Lake County, Paul Fisher-CenterPoint Properties Trust, Mike Klemens-Illinois Department of Revenue, Dan Long-Commission on Government Forecasting and Accountability, Donovan Pepper-Walgreen Co.

Others Present: Dave Bennett - Metropolitan Mayors Caucus, Larry Bury - Northwest Municipal Conference, Bona Heinsohn-Cook County Farm Bureau, Mitch Lifson – Illinois Department of Revenue, Mike Albin – DuPage Mayors and Managers Conference, William Lachman - Regional Transportation Authority, Lise Valentine – Civic Federation, Laurie Cohen – Civic Federation; Holly Lown – Metra, Jodie Andrew - Village of Schaumburg, Michael Hoadley – HGL, Chris Staron – Northwest Municipal Conference, Dave Hulseberg – Village of Lombard, Mike Walczak – Northwest Municipal Conference, Michael Gorman – CMAP Board, Susan Liepert – Metropolis Strategies

Staff Present: Jill Leary, Matt Maloney, Lindsay Hollander, Brett Baden

1.0 Call to Order

Chair Frank Beal called the meeting to order at 9:35 a.m.

2.0 Agenda Changes and Announcements

There were no agenda changes or announcements.

3.0 Approval of Minutes – August 12, 2011

A motion to add the following text to the minutes was made: “It was noted that there is regional planning and recommendation occurring presently as to road projects through the Council of Mayors process. Also noted was that many municipalities spend MFT and other funds for infrastructure projects pursuant to multi-year infrastructure plans.” A motion to approve the minutes as amended was made, seconded and with all in favor, carried.

4.0 State Individual Income Tax: Structure and Base

The Task Force discussed the state income tax and the exemption for retirement income from the income tax’s base. The Task Force discussed the possibility of the General Assembly broadening the income tax base to include retirement income and how the expansion would align with CMAP and the region’s interests. The Task Force also discussed whether the income tax disbursement formula to local governments is a good way of funding local services. The members discussed how service provision relates to who pays taxes. Also, whether introducing more progressivity into the income tax would benefit the tax system was discussed.

5.0 Overview of the Property Tax and Assessment Classification

Lise Valentine of the Civic Federation gave a presentation on the property tax. She explained effected tax rates, sales ratio studies, and assessment classification.

6.0 Discussion of Assessment Classification

The Task Force discussed property tax assessment classification. The discussion included how business location decisions are affected by classification alongside other aspects of the tax system. The members also discussed whether the effects of classification have already been capitalized into property values, what areas of the region may have adapted to classification, how classification has affected areas of the region that have not adapted to classification, and whether areas that would benefit from redevelopment could benefit from policy changes other than changing classification. In addition, how to handle the tax burden shift to residential taxpayers was discussed. The Task Force also discussed property tax exemptions, and how this also increases the tax burden for businesses.

7.0 Other Business

There was no other business.

8.0 Public Comment

There was no public comment.

9.0 Next Meeting – October 14, 2011

10.0 Adjournment

The meeting adjourned at 11:30 a.m.