



## Illinois Department of Revenue

### Property Tax Division

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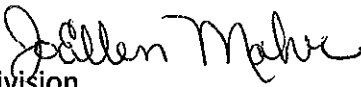
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## MEMORANDUM

**TO:** County Clerks and Tax Extenders in Counties Containing Taxing Districts Subject to the Property Tax Extension Limitation Law (PTELL)

**FROM:** Jo Ellen Mahr   
Property Tax Division

**DATE:** January 20, 2009

**SUBJECT:** CPI Change for 2009 Extensions (for property taxes payable in 2010) for Taxing Districts Subject to PTELL

The department has received many inquiries regarding what Consumer Price Index (CPI) "cost of living", or inflation, percentage to use in computing the 2009 extensions (taxes payable in 2010) under PTELL.

Section 18-185 of the Property Tax Code defines CPI as "the Consumer Price Index for All Urban Consumers for all items published by the United States Department of Labor." This index is sometimes referred to as CPI-U. Section 18-185 defines "extension limitation" as "...the lesser of 5% or the percentage increase in the Consumer Price Index during the 12-month calendar year preceding the levy year..." (emphasis added).

For 2009 extensions (taxes payable in 2010), the CPI to be used for computing the extension limitation is 0.1%. The CPI is measured from December 2007 to December 2008. The U.S. City Average CPI for December 2007 was 210.036 and 210.228 for December 2008. The CPI change is calculated by subtracting the 2007 CPI of 210.036 from the 2008 CPI of 210.228. That amount, 0.192, is then divided by the 2007 CPI of 210.036, which results in 0.09%, which is rounded to a 0.1% CPI.