



Illinois Department of Revenue

Property Tax Division

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PTELL – CPI for 2017 Extensions Property Taxes Payable 2018

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

FROM: Brad Kriener
Property Tax Division

DATE: 1/18/17

SUBJECT: CPI Change for 2017 Extensions (for property taxes payable in 2018) for Taxing Districts Subject to PTELL

The Consumer Price Index (CPI) "cost of living", or inflation, percentage to use in computing the 2017 extensions (taxes payable in 2018) under PTELL is 2.1%

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" and "debt service extension base" 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 2017 extensions (taxes payable in 2018), the CPI to be used for computing the extension limitation and debt service extension base is 2.1%. The CPI is measured from December 2015 to December 2016. The U.S. City Average CPI for December 2015 was 236.525 and 241.432 for December 2016. The CPI change is calculated by subtracting the 2015 CPI of 236.525 from the 2016 CPI of 241.432. That amount is then divided by the 2015 CPI of 236.525, which results in 2.1% CPI.

Information on PTELL may be accessed through the department's web site at www.tax.illinois.gov under the "Property Tax" link and the "Property Tax Extension Limitation Law (PTELL)" link under the "Tax Information" heading.