

Equalization Explained

What is equalization?

Equalization is the process of applying a multiplier to assessed values, bringing the *median level of assessments* of each Township or each County to 33 1/3% of the fair cash value as required by Illinois State Statute. The Chief County Assessor, the Board of Review, and the Department of Revenue have the statutory authority to equalize assessments.

Why do we equalize?

Assessments are equalized within the County to ensure they are uniform among all 19 Townships in the County. The Department of Revenue may also equalize to ensure that assessment levels are uniform between the counties in Illinois.

Chief County Assessors and/or Boards of Review equalization factors are developed and applied to each Township based on the *3-year average of median level of assessments* and considering all reassessment work done in that Township by the Township Assessor, Chief County Assessor and the Board of Review. The Department of Revenue's may also equalize; however, their factor is developed by County to ensure uniform assessments among all Counties in the State.

What is the median level of assessments?

The median level of assessments is the midpoint (middle) of the range of assessments in a sales ratio study. In this case, a sales ratio study is a comparison of the selling prices of arms-length (advertised on the market) in a Township and its prior year's assessed value. This gives the actual level of assessments for each property that was sold. The levels of assessments are ranked from lowest to highest and the midpoint is then identified. Note: It is statutory that current year sales **cannot** be used in the sales ratio study or used to raise a current year assessed value.

Example: Prior Year Assessed Value/Sale Price = Sale Ratio
 $\$11,340 / \$30,500 = 0.3718$
 $\$51,830 / \$143,000 = 0.3624$
 $\$117,350 / \$369,000 = \mathbf{0.3180}$ <-- median level of assessments for group
 $\$16,520 / \$53,000 = 0.3117$
 $\$130,550 / \$433,000 = 0.3015$

How do we calculate the multiplier?

First, we calculate the median level of assessments for each Township for each of the last 3 years. We then divide 33 1/3% (statutory level of assessments) by the calculated average 3-year median level of assessments for each Township. The result is the multiplier (factor) which is applied to all non-farm assessments.

Example:

					33.33 / 3-yr avg.
Township	2022	2023	2024	3 YR AVERAGE	MULTIPLIER
Franklin	34.69	30.81	27.00	30.83	1.0810
Genoa	32.63	31.22	28.15	30.67	1.0868
Kingston	31.43	31.45	27.70	30.19	1.1039