

## EQUALIZATION FACTOR

Equalization is the application of a uniform percentage increase or decrease to assessed values of various areas or classes of property to bring assessment levels, on average, to uniform level of market value (33.33%). Both local assessment officials and IDOR are responsible for equalizing assessment levels. The Illinois Property Tax Code requires equalization to provide for equitable distribution of property tax burden.

In a sales-ratio study, we are comparing a sale price with the assessed valuation of the property. EXAMPLE: a property with a sale price of \$ 100,000 and an assessed valuation of \$30,00 has a ratio of ( $\$30,000$  divided by  $\$100,000$ ) .3000(i.e., 30.00%. The property requires that the sales for this study must be from the three prior years. 35 ILCS 200/1-55

So that no single year can produce an outlier and skew a local assessment jurisdiction's study, a three-year study is used. Again, this is required by law 35 ILCS 200/1-55.

The projected equalization factor is the ratio between the current three-year level of assessments and the statutory three-year level of assessments.

If no changes are made within the jurisdictions when the assessment rolls are certified, each non-farm property will be increased by the projected equalization factor.

By statute, each Township Assessor must return their assessment rolls no later than **June 15** of the taxable year.

The final equalization factor is the ratio between the current three-year level of assessment and the statutory three-year level of assessments.  
Apply final equalization factor to all non-farm parcels.

Publish notice to taxpayers by state law, the primary notice of the equalization factor is made by publication in a local newspaper. 35 ILCS 200/12-10. This notice also, by state law, is the primary means of notifying taxpayers that they have 30 days to file an assessment complaint with the Board of Review. 35 ILCS 200/16-25.

The final factors are also subject to review by the Illinois Department of Revenue, which conducts an equalization study of each county in Illinois. If the correct equalization factor was applied, the Department of Revenue will issue an equalization factor of 1.0000. indicating the assessments are at the correct legal level of assessments (33.33%)



Illinois Department of Revenue

PTAX-215

Assessment Ratios Adjusted for Changes through  
2022 for County: SHELBY

Non-farm by Township	2020	2021	2022	3-Year Average
Moweaqua	35.30	34.69	26.31	32.10
Shelbyville	31.82	32.11	25.47	29.80
ALL OTHERS	35.03	29.07	27.05	---
NON-FARM WEIGHTED	34.09	30.48	26.50	30.36



Illinois Department of Revenue  
Property Tax Division  
101 W. Jefferson St., MC 3-450  
PO Box 19033  
Springfield, IL 62794-9033  
(217) 785-6619

FILED  
DEC 20 2023

*Jessica Fox*  
SHELBY COUNTY CLERK

## M E M O R A N D U M

TO: Jessica Fox, County Clerk  
Deborah Dunaway, Chief County Assessment Officer  
Shelby County

FROM: David Harris, Director of Revenue

DATE: December 19, 2023

SUBJECT: 2023 TENTATIVE EQUALIZATION FACTOR

The tentative equalization factor enclosed has been computed in accordance with Section 17-5 of the Property Tax Code (35 ILCS 200/17-5).

The 2023 equalization factor has been computed using assessment ratios calculated from non-farm property sales occurring during the years 2020, 2021, and 2022. Adjustments have been made for any actions taken by local assessing officials which have significantly affected the level of assessments. If you or any other concerned party has pertinent testimony to offer regarding the level of assessments, it should be offered at the scheduled public hearing.

The equalization factor enclosed is tentative and can be changed if the Board of Review takes action which significantly affects the county assessment level or if pertinent data affecting the assessment level is entered into evidence at the tentative equalization factor hearing. The hearing on the tentative factor is a hearing only on the correctness of the Department's estimate of the percent to be added to or deducted from the aggregate assessment.

Should you have any questions, please call the Sales Ratio and Equalization Section at (217) 785-6619.

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STATE OF ILLINOIS  
DEPARTMENT OF REVENUE  
PROPERTY TAX DIVISION

THE FOLLOWING IS CERTIFICATION TO THE COUNTY CLERK OF SHELBY COUNTY OF THE TENTATIVE EQUALIZATION FACTOR AND OF THE ESTIMATED PERCENTAGE TO BE APPLIED TO THE AGGREGATE ASSESSMENT AS REQUIRED BY THE PROPERTY TAX CODE:

Section 17-15 of the Property Tax Code (35 ILCS 200/17-15) provides that the Department annually certify to the County Clerk its estimate of the percentage to be applied to the aggregate assessment of locally assessed property in each county, other than property assessed in accordance with Sections 10-110 through 10-140 and 10-170 through 10-200 of the Property Tax Code (35 ILCS 200/10-110 through 10-140 and 10-170 through 10-200). This value is determined in accordance with Section 17-15 of the Property Tax Code (35 ILCS 200/17-15). The percentage to be applied to the aggregate assessment of locally assessed property in the county for the year 2023 is 0.00 %.

The estimate is based upon a comparison of the assessed valuation of property for the year 2023 as certified by the Chief County Assessment Officer and an estimated 33 1/3% of the fair cash value established through the analysis of property transfers. The result is a tentative equalization factor of 1.0000. This factor is tentative and subject to review, and therefore cannot be used to extend taxes.

Provisions for review of the Department's estimate are set out in Section 17-20 of the Property Tax Code (35 ILCS 200/17-20).



David Harris  
Director of Revenue

DATED: December 19, 2023  
DH:ASB:ch

FILED  
DEC 20 2023



SHELBY COUNTY CLERK

# THE PROPERTY TAX CYCLE

