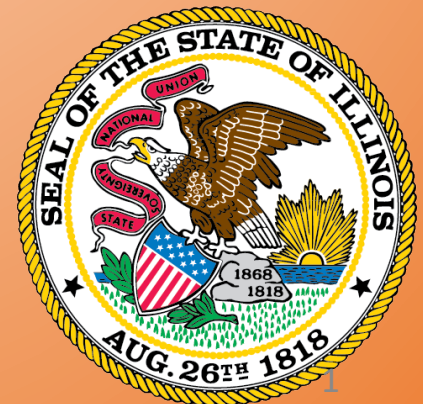


Illinois Department of Revenue  
Fall 2023 Illinois Municipal  
Treasurers' Association Institute  
Local Tax Allocation Division  
(LTAD)



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# DISTRIBUTIONS OF 1% MUNICIPAL TAXES

(Fiscal Year July 1 through June 30)

	<b>MT</b>
(\$Millions)	<b>(MT 1.00%)</b>
FY-15	1,720.1
FY-16	1,753.8
FY-17	1,758.3
FY-18	1,796.5
FY-19	1,833.6
FY-20	1,860.2
FY-21	1,816.9
FY-22	2,251.6
FY-23	2,371.1
FY-24*	823.6

\*FY-24 is through the October 2023 disbursement (1/3 through the year)

FY-23 was \$802.1 million through October 2022.

FY-24 is a 2.8% increase compared to FY-23 at the same point.

# DISTRIBUTIONS OF 1% PERSONAL PROPERTY REPLACEMENT TAXES (PPRT)

(Fiscal Year July 1 through June 30)

<b>PPRT</b>	
(\$Millions)	<b>Annual Amt</b>
FY-15	1,434.5
FY-16	1,320.5
FY-17	1,466.8
FY-18	1,227.4
FY-19	1,327.8
FY-20	1,453.4
FY-21	1,843.5
FY-22	4,018.4
FY-23	4,541.8
FY-24*	1,426.3

\*FY-24 is through the October 2023 disbursement (1/3 through the year)

FY-23 was \$1,756.0 million through October 2022.

FY-24 is a 18.8% decrease compared to FY-23 at the same point. This is due to the October adjustment that was described in our May PPRT statement and the FY-24 PPRT estimate posted to our website. Additional adjustments will occur in January, April, May, and July.

Even with the decrease, you are still receiving more PPRT funds than prior to FY-22.



# DISTRIBUTIONS OF INCOME TAX

(Fiscal Year July 1 through June 30)

	<b>INC</b>
(\$Millions)	<b>Annual Amt</b>
FY-15	1,316.3
FY-16	1,301.1
FY-17	1,216.3
FY-18	1,162.9
FY-19	1,331.0
FY-20	1,266.5
FY-21	1,672.6
FY-22	1,968.9
FY-23	1,996.8
FY-24*	656.0

\*FY-24 is through the October 2023 disbursement (1/3 through the year)

FY-23 was \$625.1 million through October 2022.

FY-24 is a 4.9% increase compared to FY-23 at the same point.

Income tax was expected to increase because of the PPRT adjustments, moving money into LGDF.



# DISTRIBUTIONS OF USE TAXES

(Fiscal Year July 1 through June 30)

	<b>ULO</b>
(\$Millions)	<b>Annual Amt</b>
FY-15	204.8
FY-16	234.1
FY-17	250.2
FY-18	267.5
FY-19	309.4
FY-20	356.2
FY-21	458.0
FY-22	392.8
FY-23	412.8
FY-24*	116.4

\*FY-24 is through the October 2023 disbursement (1/3 through the year)

FY-23 was \$125.2 million through October 2022.

FY-24 is a 7% decrease compared to FY-23 at the same point.

# DISTRIBUTIONS OF CANNABIS USE TAXES

(Fiscal Year July 1 through June 30)

<b>CUT</b>	
<b>Annual</b>	
<b>(\$ Millions) Amount</b>	
<b>FY-20</b>	<b>3.2</b>
<b>FY-21</b>	<b>12.6</b>
<b>FY-22</b>	<b>20.5</b>
<b>FY-23</b>	<b>19.7</b>
<b>FY-24*</b>	<b>6.5</b>

\*FY-24 is through the October 2023 disbursement (1/3 through the year)

FY-23 was \$6.7 million through October 2022.

FY-24 is a 3% decrease compared to FY-23 at the same point.

# COMPARISON OF ALL DISBURSEMENTS

- FY-23 through October 2022:
  - \$5,404.3 Million
- FY-24 through October 2023:
  - \$5,167.3 Million
- Decrease of 4.4% attributable to the PPRT decrease.



# TIPS FOR ALL ORDINANCES

- There are templates for the ordinances on our website.
- Legal will send a letter either stating that the ordinance will be imposed or requesting changes to the ordinance.
- Required documentation must be mailed or submitted through MyLocalTax using the “Submit Certified Ordinance or Resolution” function.
- Regarding the ordinance deadline, we use the postmark date on the envelope.
- If you want to verify that we received your ordinance, please check with us before the deadline!
- You don’t have to wait for the meeting closest to the deadline to pass the ordinance.

# BUSINESS DISTRICT DEVELOPMENT AND REDEVELOPMENT TAX

- Tips to ensure all intended addresses are added to the business district
  - Business Districts are based on addresses, not business names or PINs
    - Example: Your list should provide 101 N. First Street, not McDonald's
  - Verify all work done by a 3<sup>rd</sup> party, you know your municipality, they might not
  - Order a taxpayer listing through the MyLocalTax (MLT) portal monthly
    - This listing provides a spreadsheet with all retail businesses within the municipality
    - Compare your business district list to this taxpayer listing to verify all businesses have been added

# BUSINESS DISTRICT DEVELOPMENT AND REDEVELOPMENT TAX

- Tips to ensure all intended addresses are added to the business district
  - Refer to the annual taxpayer listing
    - This file is now provided through MLT according to the schedule on the following page. If you aren't using MLT, you must request this from LTAD.
    - Use this listing in the same manner as the taxpayer listing above
  - Make sure the business's address is correct and updated
    - Example: 100 State Route 5, USPS address is 100 W. Main Street
  - A simple abbreviation could cause the address to not match USPS. Please use the USPS address.
    - Example: Street and St.

# BUSINESS DISTRICT DEVELOPMENT AND REDEVELOPMENT TAX

- After verifying your business district addresses, IDOR will send a business district taxpayer listing.
- It is very important to review this document closely, as any addresses that are omitted must be submitted to IDOR before the April 1/October 1 deadline, otherwise you must wait until the next deadline to add that address to your district.
- Once all of the intended addresses are included on your business district taxpayer listing, IDOR will finalize the business district process and notify the affected businesses.

# BUSINESS DISTRICT DEVELOPMENT AND REDEVELOPMENT TAX

- Other information to know about business districts
  - Individual sales tax data for the businesses in your business district is confidential. In order to view this data, your municipality must have a current information exchange agreement on file with the Department.

The sales tax allocation process is a four-month cycle

- If the effective date of your district is January 1, you will receive the first distribution of business district tax in April.
- If the effective date of your district is July 1, you will receive the first distribution of business district tax in October.

# BUSINESS DISTRICT DEVELOPMENT AND REDEVELOPMENT TAX

- Recent Change
  - IDOR developed an electronic address submittal process.
  - No more manual entry, reducing the possibility of typos or other errors.
  - Huge time savings for the staff, allowing them to respond to questions and other correspondence quicker.
  - You aren't required to submit electronically.



# ANALYSIS OF LOCAL GOVERNMENT ROT AND USE TAX RECEIPTS

- Report done by IDOR's Office of Fiscal and Economic Research.
- Posted to LTAD's Website in the Sales Tax section of the "Taxes Distributed to Local Governments" page.
- Summary
  - COVID-19 pandemic distorted the economy
  - Leveling the Playing Field Act and phased return to pre-pandemic commuting patterns in CY 2021, led to strong revenue growth in FY 2022.
  - Strong growth continued in FY 2023, but that growth was due to inflation rather than growth in taxable consumption.

# LOCAL GOVERNMENT RESOURCES

- LTAD Website
  - Allocation amounts
  - PPRT Estimate
  - Training materials
- LTAD Quarterly Newsletter
  - January, April, July, October
  - We will post it to our website and send a message to subscribers
- IDOR's News and Updates email subscription service
  - Sign up on website
  - Short messages to alert you of news
    - When the PPRT estimate was posted, etc.

# THANK YOU!

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