


## URBANA SCHOOL DISTRICT #116 BUSINESS OFFICE MEMO

TO: Dr. Jennifer Ivory-Tatum, Superintendent  
Board of Education

FROM: Carol Baker  
Chief Financial Officer 

DATE: December 11, 2019

RE: Property Tax Relief Grant Application FY2020

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Beginning in FY 19, the State Board began providing \$50 million in property tax relief grants to eligible school districts. Eligible districts are those that exceed a threshold tax rate and that agree to abate a portion of taxes, up to a statutory limit, in the coming tax cycle. New this year, districts are now required to abate taxes for 2 years. In return, qualifying districts receive a state grant in an amount that is a proportion of the tax relief provided.

According to state calculations, Urbana is eligible for up to \$3,485,008 in tax relief through this grant. We are #163 (up from #290 last year) on the list of eligible districts, so it is not likely that we will be funded. If all districts would receive the maximum possible tax relief, the 50 million in funding will only fund the top 40 districts. In FY19 only the top 40 districts were funded. If for some reason districts don't take advantage of the grant, there is a possibility we could receive some funding.

Applying for the grant does not lock us into the program if we are selected as a grant recipient. If we become eligible for the grant and decide not to abate taxes, we would just not submit the final documents that would earn a grant award. Final tax relief and grants depend on applications received and will be announced 1/31/2020.

I recommend we apply for the full amount. Applications are due at ISBE by January 6, 2020, which is before our next board meeting. I will submit the attached application on the Board's behalf. The ISBE web site <https://www.isbe.net/proptaxrelief#> provides additional information on the grant if interested.

## Property Tax Relief Grant Application

Grant program administered by the Illinois State Board of Education in accordance with 105 ILCS 5/2-3.170. Additional information is available at the [Property Tax Relief Grant](#) web page. The field for Amount of Abatement Requested has been prepopulated with the maximum abatement amount possible for your district. You may choose to submit that amount, to submit a lesser amount or to not submit this year.

Maximum Possible Tax Abatement ⓘ

\$ 3,485,008.00

% of Relief Possible as a Grant ⓘ

78.7110040000 %

Amount of Abatement Requested \*

\$ 3,485,008.00

Submit

Whole Child • Whole School • Whole Community