

RSK&G BRIEFS



Rieff Schramm Kanter & Guttman LLC, Attorneys at Law
PROPERTY TAX APPEALS, TAX EXEMPTIONS
EMINENT DOMAIN, TAX INCENTIVES

100 N. LaSalle, 23rd Floor Chicago, Illinois 60602

Ph: 312-372-2500 Fax: 312-372-2550

www.lowermytaxes.com



A BRIEF HISTORY OF RIEFF SCHRAMM KANTER & GUTTMAN LLC

Rieff Schramm Kanter & Guttman LLC is fortunate to be able to offer our clients an unusual depth of experience in real estate tax matters. The aggregate number of years of experience of our four attorneys is more than 140 years. What has developed into a dynamic and effective legal team was commenced in the Fall of 1992, and continues bringing our experience and talent to bear in advocating for our clients

Mel Rieff, a graduate of the University of Illinois, for both his undergraduate and law degrees, started the firm. Mel had been a Corporation Counsel of the City of Carbondale, Illinois, an Illinois Assistant Attorney General, handling environmental protection matters, and a Cook County Assistant State's Attorney, litigating real estate tax matters. The firm, originally known as Rieff & Scanlon, concentrated in real estate tax and election law matters. Mel's original partner, Jim Scanlon, had been the Chief Deputy Assessor of Cook County and a leading lobbyist for the Chicago Board of Elections.

Continued on page 2

In This Issue:

*A Brief History of Rieff Schramm.....1, 2, 3
Kanter & Guttman LLC*

*Assessor's Audit For Erroneous.....1, 3, 4
Homestead Exemptions*

ASSESSOR'S AUDIT FOR ERRONEOUS HOMESTEAD EXEMPTIONS

As we have previously informed our readers in our RSK&G newsletter issued in the Summer of 2013, under Illinois law, a homeowner is allowed to have only one homeowner's exemption (also known as a homestead exemption) on his or her primary residence, and a married couple is likewise allowed to have only one homestead exemption as well, even if they live in separate residences. To be eligible for a homeowner's exemption, a residence must be occupied by the owner as his or her principle place of residence on January 1st of the assessment year. Upon taking office in 2010, the current Assessor of Cook County, Joseph Berrios, became aware that many taxpayers have been receiving homestead exemptions on more than one residence, which is not permitted under Illinois law. To remedy this,

Continued on page 3



"The Art of Taxation consists in so plucking the goose as to obtain the largest amount of feathers with the least possible amount of hissing" - Jean Baptiste Colbert, Superintendent of Finance under Louis XIV, King of France (1665)

A BRIEF HISTORY OF RIEFF SCHRAMM KANTER & GUTTMAN LLC

Continued from front page

Mr. Scanlon moved on from the firm in 1997 to focus more exclusively on election law.

Don Schramm had joined the firm in the Spring of 1996. He is a graduate of Indiana University and The John Marshall Law School. Don had been the General Counsel to the Cook County Assessor's Office while Mel had been an Assistant States Attorney. Both Don and Mel had left their public offices and moved into private practice at about the same time. Don spent several years doing personal injury and workman's compensation work for members of the UAW, and had done work as a private attorney for the Illinois Attorney General's Office, in addition to handling real estate tax matters. Since joining RSK&G he has limited his practice to real estate tax and eminent domain law. Don is currently the managing member of the firm.

Herb Kanter joined the firm in 1999. Herb is a graduate from the University of Illinois and The John Marshall Law School. Prior to going into private practice, Herb worked for the Illinois Department of Revenue where he was the Assistant Supervisor of the Capital Stock Tax Division. He went into private practice in 1968 to focus his practice in the area of real estate tax. He continues to concentrate in tax matters to this day. Herb has been an active member of the law profession having served as chairman of the Chicago Bar Association's Property Tax Committee, and as a regular lecturer on property tax matters. He is noted for his property tax advice to real estate investment trusts. Herb recently changed his status with the firm becoming of counsel as he continues to share his knowledge and experience with the firm.

Glenn Guttman joined the firm in 2000, having previously worked in personal injury litigation. Glenn has his undergraduate degree from the University of

Illinois and his law degree from The John Marshall Law School. Glenn has served as chairman of the Chicago Bar Association's Property Tax Committee, and been a regular lecturer on property tax matters. He has co-authored two chapters in two editions of the Illinois Institute for Continuing Legal Education publications on Real Estate Taxation for attorneys, and holds an AV®Premminent™ peer review rating by Martindale Hubble®, the highest recognition possible in the legal industry. Glenn currently is serving as the Treasurer of the Illinois Real Estate Lawyers Association. Glenn has focused his practice in the area of real estate tax law since 1996, and has an unusual amount of experience in litigating real estate tax matters.

Mel Rieff retired from the firm in 2005 and now lives in Oregon with his wife Margie. It was upon Mel's retirement that Michael Reynolds brought his talents and extensive background to the firm.

Michael Reynolds received his undergraduate and law degrees from Loyola University Chicago. He previously served as a Court Clerk in the Municipal Division and the Law Division of the Circuit Court of Cook County, and as an Administrative Aide in the Office of the Chief Judge of Cook County. In 1981, Michael was made a deputy member of the Cook County Board of Appeals (n/k/a Board of Review) upon being admitted to practice law before the Illinois Bar, where he served as a hearing officer for property tax appeals regarding all classes of real estate. Michael successfully argued as lead counsel in a case before the Illinois Supreme Court and succeeded in obtaining a precedent-setting partial tax exemption for a museum property in Chicago. In 1984, Michael volunteered as a trained Intervenor for the Illinois Lawyers' Assistance Program, Inc., for which he subsequently served as member of the Board of Directors, then as the Secretary, the Vice-President and the Executive Director of the not-for-profit corporation which provides a vital service to

Continued on next column

Continued on page 3

A BRIEF HISTORY OF RIEFF SCHRAMM KANTER & GUTTMAN LLC

continued from page 2

the lawyers throughout the State of Illinois. Michael has also served as a lecturer for many years in the continuing legal education seminars on real estate taxation law presented by the Chicago Bar Association.

Together, we, the attorneys of Rieff Schramm Kanter & Guttman LLC, possess a great wealth of knowledge about real estate tax matters in the State of Illinois. The interchange of our collective knowledge, experience and ideas provides us with a dynamic ability to represent our clients in developing strong and persuasive arguments for minimizing their real estate tax liabilities. We would be remiss if we did not acknowledge our wonderful, dedicated staff which makes the effective work of our firm possible. Their hard work and assistance is immeasurable to both the attorneys and our clients. □

ASSESSOR'S AUDIT FOR ERRONEOUS HOMESTEAD EXEMPTIONS

Continued from page 1

Assessor Berrios undertook an effort to fight homestead exemption abuse. At the Assessor's urging, and in an effort to eliminate multiple homestead exemptions, the Illinois Legislature enacted laws that allow Cook County to collect any unpaid tax, plus 10% interest per annum, plus a 50% penalty, on any taxes unpaid due to an erroneous homestead exemption. This legislation also allows the Cook County Assessor to record a real estate tax lien against the property.

The Amnesty Period Has Now Expired. To encourage compliance with the new Illinois' law, the Cook County Assessor published a notice announcing the amendment that had been enacted by the Illinois Legislature adding Section 9-275 to the Illinois

Property Tax Code. As we noted at that time, this new section designated an amnesty period during which property taxpayers would have been able to pay any taxes that were delinquent due to an erroneous homestead exemption. However, that amnesty period extended only until December 31, 2013. If, during that amnesty period, the taxpayer paid all the arrearages due, the Cook County Clerk would have abated and not sought to collect any interest or penalties that may have become applicable, and would not have sought civil or criminal prosecution against any taxpayer that had come into compliance during the amnesty period. Failure to pay all such arrearages during that amnesty period had the effect of invalidating the amnesty.

Notices of Discovery Are Being Issued. Now, the Cook County Assessor is conducting an audit of all the homeowners' exemptions that have been issued in Cook County in recent years. To those taxpayers who may appear to have been receiving a possibly erroneous homeowner's exemption, the Assessor is issuing a Notice of Discovery. The Notice of Discovery notifies the taxpayer that the Assessor's Office is conducting an audit to determine whether the taxpayer is entitled to the homestead exemption(s) that the taxpayer has been receiving. Upon receiving a Notice of Discovery, taxpayers are requested to consult the Assessor's website at cookcountyassessor.com and to contact the Assessor's Office at 312-603-7434, or visit the Assessor's Office in person with any relevant information that may justify the homeowner's exemption that is subject to the audit.

The Notice of Discovery does not mean that the taxpayer has been found to have been receiving an erroneous homestead exemption, but only that the taxpayer's homestead exemption is subject to an audit. The Notice of Discovery means that the Assessor's Office has information indicating that the residence in question may have received homestead exemptions to which it was not entitled under Illinois law. The tax-

Continued on next column

Continued on page 4

ASSESSOR'S AUDIT FOR ERRONEOUS HOMESTEAD EXEMPTIONS

Continued from page 3

payer subject to an audit is invited to provide information which he or she may feel will help the Assessor's Office in completing its audit.

Notices of Intent to Record Lien Will Be Issued.

However, if the Assessor's Office, through its audit, finds that a taxpayer has received an erroneous homestead exemption to which he or she is not entitled, that taxpayer will be issued a Notice of Intent to Record a Lien. This Notice begins the formal process by which a real estate tax lien will be placed against the property that has received the erroneous homestead exemption(s). If, however, after completing its audit, the Assessor's Office determines that the taxpayer's residence has not received an erroneous homestead exemption, the taxpayer will receive in the mail a written notice of such determination by the Assessor's Office.

If a taxpayer is served with a Notice of Intent to Record a Lien, the taxpayer will be afforded an opportunity to contest the matter before an impartial hearing officer. The taxpayer will have thirty (30) days from the date on which he or she has been

served with a Notice of Intent to Record a Lien to request a formal hearing.

The Assessor's Office will provide taxpayers found subject to erroneous homeowner's exemption with bills for principal taxes due, interest, penalties and administrative costs, if applicable. Taxpayers will be billed for all erroneous homestead exemptions of which the Assessor's Office is aware. In addition, even if a taxpayer is issued such bills, the Assessor's Office reserves the right to bill the taxpayer for any additional liability for erroneous homestead exemptions that it is entitled to under Illinois law.

Assessors Nationwide Are Coordinating Efforts.

What's more, assessing officials, statewide and nationwide, have become more attuned to the fact that certain homeowners have been claiming erroneous homestead exemptions on more than one residence in different counties and/or different states, and these assessing officials from the various jurisdictions are now coordinating their efforts to stem such erroneous homestead exemption abuse. □

Directory of Attorneys / E-mail Addresses

Donald Schramm - dschramm@realproptax.com
Herb Kanter - hkanter@realproptax.com
Glenn Guttman - gguttman@realproptax.com
Michael Reynolds - mreynolds@realproptax.com

Continued on next column