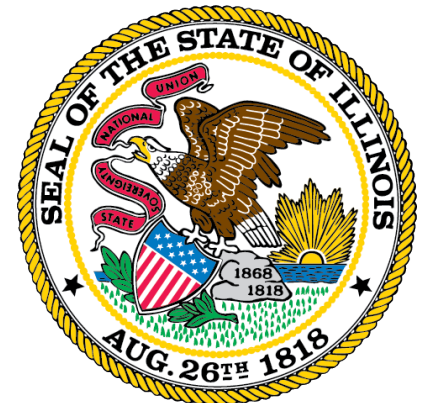


Illinois Department of Revenue Township Officials of Illinois PPRT Webinar

Local Tax Allocation Division
(LTAD)



Disclaimer

This PowerPoint presentation is provided for general informational purposes only. The information contained in this presentation should not be construed as legal advice from the Illinois Department of Revenue or the presenter for any purpose, including but not limited to the Taxpayers' Bill of Rights, nor is it intended to be a substitute for legal counsel on any subject matter. IDOR advises that audience members pursue appropriate legal or other professional advice when seeking guidance, based upon their particular facts and circumstances.

PERSONAL PROPERTY REPLACEMENT TAXES (PPRT)

- Revenues collected by IDOR to replace money lost by local governments when their powers to impose personal property taxes were taken away.
- Qualifications to receive a distribution:
 - Taxing district must have been in existence prior to July 1, 1979, and
 - Received revenue from personal property tax from the 1976 tax year for taxing districts in Cook County, or the 1977 tax year for taxing districts in the remaining 101 counties.

PERSONAL PROPERTY REPLACEMENT TAXES (PPRT)

- Personal Property Replacement Tax includes:
 - Replacement Tax imposed on the net Illinois income of C-Corporations, Partnerships, Trusts, & S-Corporations;
 - Invested Capital Tax;
 - Electricity Distribution Tax (based on Kilowatt hours);
and
 - Telecommunications Infrastructure Maintenance Fees.
- The net collections of the taxes are deposited into the Personal Property Replacement Tax Fund and distributed to local taxing districts.
 - Net collections = total collections minus stipends, additional compensations, salary reimbursements, and deposits made into the refund fund.

PERSONAL PROPERTY REPLACEMENT TAXES (PPRT)

- Eight distributions are sent each year to qualifying taxing districts (January, March, April, May, July, August, October, and December).
- Distributions to taxing districts are based on each district's share of personal property tax collection from the appropriate 1976 or 1977 tax year.
- Proportionate Share of PPRT Distributed
 - Certain taxing districts are required to pay a proportionate share of personal property replacement tax funds they receive to the municipality, library, or cemetery if personal property taxes were previously levied in 1976 or 1977 and paid to those taxing districts.
 - Based on 1976/1977 tax levy, IDOR only involved with the direct PPRT payments. Talk to your county about proportionate share.

PERSONAL PROPERTY REPLACEMENT TAXES (PPRT)

- Fiscal year estimates for PPRT are posted to our website around the first of August.
- This is an estimate. We do not pay the difference if your actual distributions are less than estimated, nor do we ask you to pay the difference if distributions were more than estimated.
- The estimate is posted in the same place on our website every year (<https://www2.illinois.gov/rev/localgovernments/LocalTaxAllocation/Pages/Taxes-Distributed-to-Local-Governments.aspx>.) You do not need to ask if we have the estimate; just check the website. As soon as we have it, we will post it.

DISTRIBUTIONS OF PERSONAL PROPERTY REPLACEMENT TAXES (PPRT)

(Fiscal Year July 1 through June 30)

	PPRT
(\$Millions)	Annual Amt
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	2,991.5

FY-24 is a 34% decrease compared to FY-23. This is due to the October, January, April and May adjustments that were described in our May 2023 PPRT statement and the FY-24 PPRT estimate posted to our website. An additional adjustment will occur in July.

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

SUGGESTIONS

- Sign up for Direct Deposit
 - Contact the Comptroller at 217-557-0930
- Have mail sent to the attention of the office title, not the name of the officeholder. This keeps LTAD from needing to update for each change.
 - Example – Township Supervisor instead of John Doe, Township Supervisor
- Use your office address or a P.O. Box as your mailing address instead of a home address, if possible, for the same reason.
- Contact LTAD immediately if there are any changes to your district, such as mergers, consolidations, dissolutions, or disconnections.

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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