



Board of Commissioners of Cook County

118 North Clark Street
Chicago, IL

Legislation Text

File #: 19-4585, Version: 2

PROPOSED SUBSTITUTE FOR ITEM #19-4585 REFUND RECOVERY AGENT REFUND CHECK REISSUANCE FEE ORDINANCE

WHEREAS, Cook County (“the County”) is a home rule unit of local government pursuant to Article VII, Section 6(a) of the 1970 Illinois Constitution, and as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the efficient and effective operation of the Cook County Treasurer’s Office (“CCTO”) pertains to the County’s government and affairs; and

WHEREAS, pursuant to the Illinois Property Tax Code, 35 ILCS 200/ 20-175, the CCTO is responsible for issuing property tax refunds arising from overpayments and erroneous assessments to eligible refund applicants, including, but not limited to, refund recovery agents, as hereinafter defined, and taxpayers; and

WHEREAS, it has come to the attention of Cook County Treasurer Maria Pappas (“Treasurer”) that the CCTO mailed nearly 1,000 refund checks in January and February of 2018 to a law firm for refunds arising from successful tax objections filed with respect to condominiums at 180 East Pearson Street, and that that law firm did not deliver these refund checks to the property management company for the subject condominiums, Lieberman Condominium and Property Management Services (“Lieberman”), until August of 2018, and subsequently, Lieberman failed to distribute these refund checks to the taxpayers of these properties until December of 2018 and January of 2019, almost a year after the issuance date of the checks; and

WHEREAS, in the wake of this event, the CCTO conducted research and found that, on average, refund recovery agents, such as the law firm mentioned above, fail to cash or deposit refund checks for a longer duration than other refund applicants; and

WHEREAS, refund recovery agents who fail to distribute refund checks issued by the CCTO to their clients in a timely manner or otherwise delay the negotiation of refund checks issued by the CCTO undermine the efficient administration of the CCTO’s statutory duty to issue refunds to County taxpayers; and

WHEREAS, refund recovery agents submit a significant number of requests to the CCTO for the cancellation and reissuance of refund checks previously issued by the CCTO, but never cashed or deposited; and

WHEREAS, the CCTO’s resources must be employed and expenses incurred to conduct research regarding whether the applicant for the reissuance of the check is the proper claimant, and to complete the administrative processes necessary to reissue refund checks; and

WHEREAS, enhancements to the existing core information technology systems would enable the CCTO to upgrade its electronic systems, which would result in significant operational efficiencies, cost reductions, and improved services, including, but not limited to:

(1) facilitating the electronic exchange of refund application information between refund applicants and the CCTO to expedite the issuance of refunds to refund applicants; and

(2) enabling the electronic exchange of a twenty-year history of property tax collection and payment

information to taxpayers; and

(3) enabling the electronic exchange of available refund information, including those arising from overpayments, overassessments, Property Tax Appeal Board decisions, and court orders.

NOW, THEREFORE BE IT ORDAINED, by the Cook County Board of Commissioners, that Chapter 2 Administration, Sec. 2-258, of the Cook County Code is hereby enacted as follows:

Sec. 2-258. Fee for the Reissuance of Refund Checks

(a) *Definitions.* In this section, “refund recovery agent” means any attorney, law firm, company, organization, or individual who is engaged in the business of pursuing property tax appeals, or obtaining refunds for overpayments or erroneous assessments on behalf of any taxpayer (including, but not limited to, individual taxpayers and corporate taxpayers), other than for himself or herself.

(b) *Fee.* The County Treasurer shall charge and collect a fee of \$30.00 for any request made by a refund recovery agent, that the ~~ECTO~~County Treasurer reissue any refund check previously issued, because the original refund check was not cashed or deposited before the refund check’s expiration date, as noted on the face of the refund check.

(c) *Tax Sale Automation Fund.* The County ~~Collector~~Treasurer shall deposit all fees collected under this section into the Tax Sale Automation Fund, as established in Section 74-40.

BE IT FURTHER ORDAINED, by the Cook County Board of Commissioners, that Chapter 32 Fees, Section 32-1 of the Cook County Code is hereby amended as follows:

The fees or charges provided for or required by the below listed sections shall be as shown below:

<i>Code Section</i>	<i>Description</i>	<i>Fees, Rates, Charges (in dollars)</i>
CHAPTER 32-1, Fees		
<u>2-258</u>	<u>Refund Reissuance Fee</u>	30.00

Effective Date: This Ordinance shall take effect immediately upon its passage and approval.