



OFFICE OF THE COOK COUNTY TREASURER

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FOR RELEASE

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Interest penalties slashed from 18% to 9% for homeowners who are late paying property tax bills

Historic reforms championed by Cook County Treasurer Maria Pappas are about to take effect as property owners face a March 1 due date for 2023 First Installment tax bills.

For those who are late paying their taxes due March 1, the interest rate penalty will drop from 18% a year to 9% a year. The monthly rate of interest charged on late taxes will fall from 1.5% to 0.75%.

“These interest rate cuts will help homeowners at a time when banks, credit card companies, mortgage lenders and others continue to charge relatively high interest rates,” Pappas said. “These lower interest rates will help those who are unable to pay their property taxes in full by the due date and who make partial payments on late taxes to spread out the burden.”

The lower rates mean property owners will save \$90 a year for every \$1,000 owed in late taxes. Researchers with the Treasurer’s Office estimated the interest rate reduction will save Cook County property owners between \$25 million and \$35 million a year. The lower rates are expected to allow more homeowners to pay off delinquent bills and avoid the Annual Tax Sale.

Illinois lawmakers approved the historic reforms in May 2023 and Gov. J.B. Pritzker signed the bill into law in August 2023. The Treasurer’s Office worked with The Chicago Community Trust philanthropic organization and others to promote the reforms.

Pappas pushed for legislative reforms after her office released studies in 2022. Researchers documented how redlining and other practices deprived families of opportunities to build generational wealth. Studies also documented how inequity in the property tax system has had a larger impact in neighborhoods where greater numbers of Black and Latino families live.

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