



# What you should know about TRANSFER TAXES

Illinois is a great place to live. But local elected officials have found a way to make it more expensive to stay in the state's communities by levying transfer taxes on real estate sales.

**WHAT'S A REAL ESTATE TRANSFER TAX?** Home Rule municipalities may impose a tax on buyers and sellers of real estate. These taxes are imposed at closing and can add significantly to the cost of selling private property.

## How a transfer tax works

### TRANSFER TAXES ARE ASSESSED WHEN A PROPERTY IS TRANSFERRED/SOLD.

Most municipalities in Illinois with transfer taxes charge a set amount per \$1,000 of the sales price.

*For example, in Aurora, sellers must pay \$3 for every \$1,000 in a transaction. That means a \$200,000 home sale comes with an additional \$600 fee tacked on at closing!*

Some communities charge a per transaction fee that is the same no matter the amount of the real estate deal, but this is less common.



## Who pays?

Most of the time, sellers pay. In some communities, buyers are hit with the tax. In Chicago, both buyers and sellers must pay a transfer tax.

In addition to the municipal transfer tax, each county in Illinois assesses a transfer tax at the rate of 50 cents per thousand dollars of the sale price.

## What's the cost

Assuming you are in a community which has a transfer tax, you can pay as little as \$50 per transaction, or as much as \$10 per \$1,000 of a real estate transaction.

## How does a community impose a transfer tax?

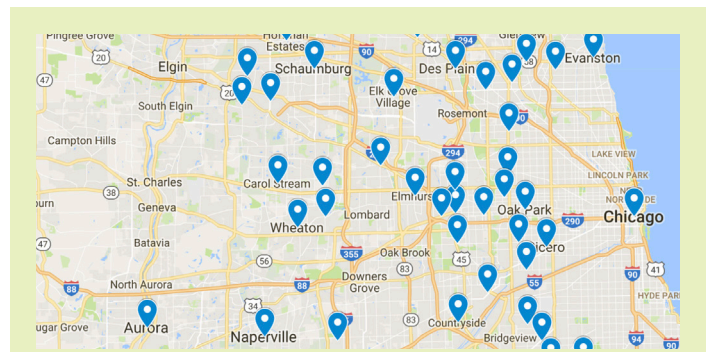
Since 1997, communities in Illinois must ask voters through a referendum for permission to impose a transfer tax. Even if a community already has a transfer tax, it still must ask voters for approval to adjust the tax rate.

An important note: Only a Home Rule community can impose a transfer tax. In Illinois, that typically means a municipality has more than 25,000 residents or voters in the community have agreed to yield direct say over tax and fee increases to their elected officials.



## The dangers of transfer taxes

- 1 IT ADDS TO THE TAX BURDEN ON PROPERTY OWNERS:** Many communities in Illinois already have high property taxes. After years of paying these taxes, owners are then obligated to pay one more tax when they sell their properties. These taxes add up, making it much more expensive to live in the state.
- 2 EQUITY KILLER:** Transfer taxes are essentially an “exit tax” which chips away at the equity private property owners have built up over the years.
- 3 ONE OF MANY TAXES:** Transfer taxes in and of themselves are costly. But, if they are added to a buyer’s closing costs they may come on top of expensive pre-sale inspection fees and requirements. For first-time buyers and those seeking affordable housing, transfer taxes can make realizing the dream of homeownership much harder.
- 4 TAX IMPLICATIONS:** Transfer taxes cannot be deducted on your state and federal income taxes.



### MORE THAN 70 ILLINOIS COMMUNITIES HAVE TRANSFER TAXES OF VARYING AMOUNTS

Real Property Alliance has an updated list of communities and the tax rates.

Find it at:

[www.IllinoisRealtors.org/legal/legal-a-z/transfer-tax](http://www.IllinoisRealtors.org/legal/legal-a-z/transfer-tax)

## Want to learn more?

Illinois REALTORS® is the only advocate for private property rights at the Capitol in Springfield and in communities statewide.

[www.IllinoisRealtors.org](http://www.IllinoisRealtors.org)

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# Real Estate Transfer Taxes

## Listing of all Municipal Real Estate Transfer Taxes in Illinois

Also shown is the party liable for payment of the tax.

The information in this chart is current as of January, 2018.

Taxing Body	Amount of Tax	Place for Purchase	Party Liable
State of Illinois	\$.50/\$500	County Building	Either; Seller customary
All Illinois Counties	\$.25/\$500	County Building	Either; Seller customary
Addison	\$2.50/\$1,000	Village Hall	Buyer
Alsip	\$3.50/\$1,000	Village Hall	Seller
Aurora	\$3/\$1,000	City Hall	Seller
Bartlett	\$3/\$1,000	Village Hall	Seller
Bedford Park	\$50 flat fee	City Hall	Seller
Bellwood	\$5/\$1,000	Village Hall	Seller
Berwyn	\$10/\$1,000	Village Hall	Seller
Bolingbrook	\$7.50/\$1,000	Village Hall	Split
Buffalo Grove	\$3/\$1,000	Village Hall	Seller
Burbank	\$5/\$1,000	City Hall	Seller
Burnham	\$5/\$1,000	Village Hall	Buyer
Calumet City	\$8/\$1,000	Village Hall	Split
Calumet Park	\$5/\$1,000	Village Hall	Buyer
Carol Stream	\$3/\$1,000	Village Hall	Seller
Channahon	\$3/\$1,000	Village Hall	Buyer
Chicago	\$7.50/\$1,000 Buyer \$3.00/\$1,000 Seller	City Hall	\$7.50/\$1,000 Buyer \$3.00/\$1,000 Seller
Chicago Heights	\$4/\$1,000	City Hall	Seller
Cicero	\$10/\$1,000	Town Hall	Seller
Country Club Hills	\$5/\$1,000	City Hall	Seller
Countryside	\$50 flat fee	City Hall	Either
Des Plaines	\$2/\$1,000	City Hall	Seller
Dolton	\$10 per property	Village Hall	Seller
East Hazel Crest	\$25 flat fee	City Hall	Buyer
Elk Grove Village	\$3/\$1,000	Village Hall	Seller
Elmhurst	\$1.50/\$1,000	City Hall	Seller
Elmwood Park	\$5/\$1,000	Village Hall	Seller
Evanston	\$5/\$1,000	City Clerk	Seller
Evergreen Park	\$5/\$1,000	Village Hall	Seller
Freeport	\$4/\$1,000	City Hall	Seller
Glendale Heights	\$3/\$1,000	Village Hall	Seller
Glen Ellyn	\$3/\$1,000	Village Hall	Seller
Glenwood	\$5/\$1,000	Village Hall	Seller
Hanover Park	\$3/\$1,000	Village Hall	Seller
Harvey	\$4/\$1,000	City Clerk	Buyer/Seller split
Harwood Heights	\$10/\$1,000	Village Hall	Buyer

Taxing Body	Amount of Tax	Place for Purchase	Party Liable
Highland Park	\$5/\$1,000	Village Hall	Seller
Hillside	\$7.50/\$1,000	Village Hall	Buyer
Hoffman Estates	\$3/\$1,000	Village Hall	Seller
Joliet	\$3/\$1,000	City Hall	Seller
Lake Forest	\$4/\$1,000		Buyer *
Lincolnshire	\$3/\$1,000	Village Hall	Buyer
Maywood	\$4/\$1,000	Village Hall	Seller
McCook	\$5/\$1,000	Village Hall	Seller
Mettawa	\$5/\$1,000		Buyer
Morton Grove	\$3/\$1,000	Village Hall	Seller
Mount Prospect	\$3/\$1,000	Village Hall	Buyer
Naperville	\$3/\$1,000	Village Hall	Buyer
Niles	\$3/\$1,000	Village Hall	Buyer
North Chicago	\$5/\$1,000	City Clerk	Buyer
Oak Lawn	\$5/\$1,000	Village or Downtown Office	Seller
Oak Park	\$8/\$1,000	Village Hall	Seller
Park Forest	\$5/\$1,000	Village Hall	Seller
Park Ridge	\$2/\$1,000	City Hall	Seller
Peoria	\$2.50/\$1,000	Village Clerk	Seller
River Forest	\$.50/\$1,000	Village Clerk	Seller
Robbins	\$25 per property	Village Hall	Seller
Rolling Meadows	\$3/\$1,000	Village Hall	Seller
Romeoville	\$3.50/\$1,000	Village Hall	Buyer
Schaumburg	\$1/\$1,000	Village Hall	Seller
Skokie	\$3/\$1,000	Village Hall	Seller
Stickney	\$5/\$1,000	Village Hall	Seller
Stone Park	\$4/\$1,000	Village Hall	Seller
Streamwood	\$3/\$1,000	Village Hall	Seller
Sycamore	\$5/\$1,000	Village Hall	Buyer **
University Park	\$1/\$1,000	Village Hall	Seller
Westchester	\$25 flat fee	City Hall	Seller
Wheaton	\$2.50/\$1,000	Village Hall	Buyer
Wilmette	\$3/\$1,000	Village Hall	Buyer
Woodridge	\$2.50/\$1,000	Village Hall	Seller

\* A rebate of the transfer tax owed in an amount up to \$2,000 will be given to Lake Forest residents who move between residences within Lake Forest

\*\*Exemption for current Sycamore residents

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